



53rd ANNUAL REPORT

2022-2023

SWADESHI POLYTEX LIMITED

SWADESHI POLYTEX LIMITED**BOARD OF DIRECTORS AS ON DATE**

1. Mr. Gaurav Swarup	Chairman
2. Mr. Hartaj Sewa Singh	Vice Chairman
3. Mr. Arun Kumar Singhania	Director
4. Mr. Sanjay Garg	Nominee Director
5. Mr. Ashutosh Gupta	Nominee Director
6. Ms. Deepika Sharma	Nominee Director
7. Mr. Pankaj Agarwal	Nominee Director
8. Mr. P. Samy Kungumaraju	Nominee Director
9. Mr. Shyam Sunder Madan	Independent Director
10. Mr. Niranjan Kumar Gupta	Independent Director
11. Mr. Naveen Aggarwal	Independent Director
12. Ms. Purti Gupta	Independent Director

KEY MANAGERIAL PERSONNELS

1. Mr. Bhuwan Chaturvedi	Chief Executive Officer
2. Mr. Ankit Garg	Chief Financial Officer
3. Ms. Anuradha Sharma	Company Secretary

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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SWADESHI POLYTEX LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 53rd Annual General Meeting of the Members of Swadeshi Polytex Limited will be held on Thursday, 21st September, 2023 at 11 a.m. IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2023 together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Hartaj Sewa Singh having Director’s Identification Number 00173286, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
3. To appoint a director in place of Mr. Pankaj Agarwal having Director’s Identification Number 08467347, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
4. To appoint a director in place of Mr. Sanjay Garg having Director’s Identification Number 09539286, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an **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, Ms. Deepika Sharma (DIN- 08873691) who was appointed as an Additional Director of the Company with effect from 16th November, 2022, by the Board of Directors in terms of Section 161(3) of the Act and whose term of office expires at the conclusion of the Annual General Meeting, be and is hereby appointed as Nominee Director of the Company, whose period of office will be liable to determination by retirement of directors by rotation.”

6. To consider and, if thought fit, to pass with or without modification, the following resolution as an **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, Mr. Palani Samy Kungumaraju (DIN- 10164262) who was appointed as an Additional Director of the Company with effect from 18th April, 2023 by the Board of Directors in terms of Section 161(3) of the Act and whose term of office expires at the conclusion of the Annual General Meeting, be and is hereby appointed as Nominee Director of the Company, whose period of office will be liable to determination by retirement of directors by rotation.”

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

Sd/-

Anuradha Sharma

Company Secretary

Membership No: A51838

Place: Ghaziabad
Date: 11.08.2023

NOTES

1. The Ministry of Corporate Affairs (“MCA”) inter-alia vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) has permitted the holding of the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the 53rd Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM on Thursday, 21st September, 2023, at 11:00 a.m. (IST). The proceedings of the AGM deemed to be conducted at the Registered Office of the Company.

Generally, a member entitled to attend/ participate and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC/ OAVM, hence, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

2. As the AGM will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Company at investor.grievances@splindia.co.in or [to the Scrutinizer through e-mail to shrutisinghal116@gmail.com](mailto:shrutisinghal116@gmail.com).
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 15th September 2023 to Thursday 21st September 2023 (both days inclusive) for the purpose of AGM.
6. The information required to be provided under the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the special business(es) in respect of the items 5 and 6 to be transacted at AGM is annexed hereto.
7. SEBI vide its circular dated January 25, 2022, has mandated that the listed companies shall

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henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialise their holdings.

8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. Members may note that the VC / OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis and facility of joining the AGM shall open 15 minutes before the time scheduled for the AGM. The large shareholders (i.e., shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be restricted on first come first serve basis.
10. Pursuant to SEBI circular dated March 16, 2023, November 3, 2021 and clarification circular dated December 14, 2021, members holding shares in physical form are advised to update their PAN, KYC details and nomination etc. in prescribed forms. The forms can be downloaded from the website of the Company at www.splindia.co.in. Further, in respect of shares held in electronic/demat form, the members may please contact their respective Depository Participant. The folios wherein any one of the KYC details is not available on or after October 01, 2023, shall be frozen by the RTA.
11. SEBI vide its circular dated May 30, 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s) / investor(s). The said circular is available on the website of the Company at www.splindia.co.in

DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDs

1. In line with the MCA Circulars and SEBI Circular No SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 this notice along with the integrated Annual Report for FY 2022-23 is being sent in electronic mode to all the Members/Beneficiaries, whose names appear on the Register of Members/ Record of Depositories as on 14th September, 2023 and who have registered their e-mail addresses with the Company/RTA or the Depository Participant(s) in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and the MCA and SEBI Circulars.
2. Members holding shares in physical mode and who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company's Registrar and Share Transfer Agent, RCMC Share Registry Private Limited at investor.services@rcmcdelhi.com. Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back), self-attested copy of PAN card and Aadhaar for registration/updation of email address.

With a view to using natural resources responsibly, we request shareholders to update their contact details including e-mail address, mandates, nominations, power of attorney, Bank details covering name of the Bank and branch details, Bank account number, MICR code, IFSC code, etc. with their depository participants and with RTA if shares are held in physical form to enable the Company to send all the communications electronically including Annual Report, Notices, Circulars, etc.

3. The Notice of AGM along with the Integrated Annual Report for FY 2022-23, is available on the website of the Company at www.splindia.co.in, on the website of Stock Exchange on which the shares of the Company are listed i.e., BSE Limited at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUALREPORT:

4. As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at investor.grievances@splindia.co.in to enable smooth conduct of proceedings at the AGM. Questions /Queries received by the Company on or before 14th September, 2023 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at investor.grievances@splindia.co.in on or before 14th September, 2023 Speakers are requested to submit their questions at the time of registration to enable the Company to respond appropriately. Only those Members who have registered themselves as a speaker will be allowed to ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

DETAILS FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM

6. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up to date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs dated 05 May, 2022, dated January 13, 2021 May 05, 2020, April 13, 2020 and dated April 08, 2020, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Company is pleased to provide facility of voting through electronic means i.e. remote e-voting in respect of the business(es) to be transacted at the 53rd Annual General Meeting (AGM) as well as e-voting system on the date of the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., 14th September, 2023 shall only be entitled to attend and vote at the AGM. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.
8. The remote e-voting period begins on Monday, 18th September, 2023 (9:00 A.M. IST) and ends on Wednesday, 20th September, 2023 (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., 14th September, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

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9. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date/record date i.e., 14th September, 2023 Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
10. The company has engaged NIVIS CORP SERVE LLP for providing video conferencing system through cisco Webex and e-voting services through NSDL. In case, any member required any assistance in respect of e-voting or joining of Meeting through VC/OAVM can contact at following: -

Mrs. Richa Rastogi at info@nivas.co.in,

Nivis Corpserve LLP,

Contact No. 011-45201005.
11. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., 14th September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
12. The Company has appointed Ms. Shruti Garg (CP No.: 22138) Practising Company Secretary, Address: C-285, Lohia Nagar, Ghaziabad-201001 as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
14. The result declared along with the Scrutinizer's Report shall be placed on the Company's website: www.splindia.co.in and on NSDL's website: <https://www.evoting.nsdl.com/> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.





PROCESS AND MANNER OF REMOTE E-VOTING AND EVOTING DURING THE AGM

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 20px;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System My easi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

[Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.](#)

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 or NIVIS CORP SERVE LLP AT info@nvis.co.in or at 01145201005
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533 or NIVIS CORP SERVE LLP info@nvis.co.in or at 011-45201005

In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at e-voting website at <https://evoting.nsdl.com>.

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

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- b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

(How to Cast your vote electronically and join General Meeting on NSDL e-Voting system)

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to shrutisinghal116@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at evoting@nsdl.co.in

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

Shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing below mentioned documents.

- i. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.grievances@splindia.co.in.
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.grievances@splindia.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **[Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode](#)**.
- iii. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- iv. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. All the documents referred to in the accompanying Notice shall be available for inspection by the members at the registered office during normal business hours (between 11.00 A.M. to 01.00 P.M.) on all working days, from the date of circulation of this Notice upto the date of the AGM. The relevant documents will also be made available on the website of the Company during the above mentioned period. Members seeking to inspect such documents can also send an email to investor.grievances@splindia.co.in.
2. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com/>.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

OTHER INFORMATION:

5. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed

SWADESHI POLYTEX LIMITED

under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or Mrs. Richa Rastogi at NIVIS CORP SERVE LLP at info@nivis.co.in.
7. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in information to Registrar and Share Transfer Agent or Company as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. Members who hold shares under more than one folio in name(s) in the same order, are requested to send the relative Share Certificate(s) to the Company's Registrar and Transfer Agent for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.
10. Members holding shares in dematerialised form may please note that, while opening a depository account with Participants they may have given their bank account details, which will be printed on their dividend warrants.

However, if Members want to change/correct the bank account details, they should send the same immediately to the Depository Participant concerned. Members are also requested to give the MICR code of their bank to their Depository Participant. The Company will not entertain any direct request from Members for cancellation/change in the bank account details furnished by Depository Participants to the Company.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent or the Company.
12. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
13. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Transfer Agent, RCMC Share Registry Private Limited, at the address mentioned below:

RCMC Share Registry Private Limited
Add: B-25/1, Okhla Industrial Area, Phase-2,
Near Rana Motors, New Delhi-110020
Tel. No.: 011-26387320, 21

E-mail Id: investor.services@rcmcdelhi.com

Website: www.rcmcdelhi.com

14. Pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has designated an exclusive E-mail Id: investor.grievances@splindia.co.in for quick redressal of members/investors grievances or to register their complaints, if any.
15. Pursuant to the provisions of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities can be transferred only in dematerialised form w.e.f. 1 April 2019. Members are requested to convert their physical holdings into demat form to avoid any possibility of loss, mutilation etc., of physical share certificates. Any shareholder who is desirous of dematerializing their securities may write to Ms. Anuradha Sharma, Company Secretary at cs@splindia.co.in or investor.grievances@splindia.co.in or to the Registrar and Share Transfer Agent at investor.services@rcmcdelhi.com.
16. Process of Registration of Email address and other details:

i) For Temporary Registration:

Pursuant to relevant circulars the shareholders who have not registered their email address and in consequence the notice could not be serviced may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, investor.services@rcmcdelhi.com through the link: [https:// www.rcmcdelhi.com](https://www.rcmcdelhi.com) and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would receive soft copy of the Notice of AGM and the Annual Report for the financial year 2022-23 comprising Financial Statements, Board's Report, Auditor's Reports and other documents required to be attached therewith and the procedure for e-voting along with the User ID and Password to enable e-voting for the AGM from NSDL. In case of any queries relating to the registration of E-mail address, shareholder may write to investor.services@rcmcdelhi.com & for e-voting related queries you may write to NSDL at evoting@nsdl.co.in.

ii) For Permanent Registration:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address:

- in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
- in respect of physical holding with Company's Registrar and Transfer Agents i.e. investor.services@rcmcdelhi.com by sending a request in the prescribed form.

iii) Registration of Bank Details:

Please Contact your Depository Participant (DP) and register your email address and Bank account details in your demat account, as per the process advised by your DP. In case of physical holding, please contact the RTA of the Company i.e. investor.services@rcmcdelhi.com

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

Sd/-
Anuradha Sharma
Company Secretary
Membership No: A51838

Place: Ghaziabad
Date: 11.08.2023

SWADESHI POLYTEX LIMITED

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING.

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

ITEM NO. 2, 3, 4, 5 & 6:

BRIEF PROFILE OF DIRECTORS:

Name of the Director	Hartaj Sewa Singh	Pankaj Agarwal	Sanjay Garg	Deepika Sharma	Palani Samy Kungumaraju
DIN	00173286	08467347	09539286	08873691	10164262
Age	60 years	57 years	50 years	52 years	54 years
Date of first Appointment on the Board of the Company	26/09/2003	19/05/2022	19/05/2022	16/11/2022	18/04/2023
Qualification	M.B.A. (Finance)	M.Com., Company Secretary, PGDHRM	B.E., MBA	CMA	B.E.(Textile Technology), MBA
Nature of Expertise in Specific Functional Area	Financial and Strategic Advisor/ Consultant.	Company Secretary, HR, Legal, Admin, Estate	Manufacturing Operation	Finance & Accounts	Textile Engineer
Shareholding in Swadeshi Polytex Limited	2500 shares	Nil	Nil	Nil	Nil
Directorship held in other companies	1. Spn Lefin Private Limited 2. Topmost Merchandise Private Limited	1. Apollo Design Apparel Parks Limited 2. Goldmohur Design And Apparel Park Limited 3. India United Textile Mill Limited 4. New City of Bombay Mfg. Mills Limited 5. Aurangabad Textiles and Apparel Parks Limited	1. M3R Seamless Private Limited 2. Manu Garg Consulting Private Limited	1. Apollo Design Apparel Parks Limited 2. Goldmohur Design and Apparel Park Limited 3. India United Textile Mill Limited 4. New City of Bombay Mfg. Mills Limited 5. Aurangabad Textiles and Apparel Parks Limited	1. Apollo Design Apparel Parks Limited 2. Goldmohur Design and Apparel Park Limited 3. India United Textile Mill Limited 4. New City of Bombay Mfg. Mills Limited 5. Aurangabad Textiles and Apparel Parks Limited
Membership / Chairmanship of Audit and Stakeholders Relationship Committees	Nil	Nil	Nil	Nil	Nil
Relationship with other Directors and KMPs of the Company	No relation	No relation	No relation	No relation	No relation
No. of Board Meeting Attended during the financial year	Four	One	Two	One	NA

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Name of the Director	Hartaj Sewa Singh	Pankaj Agarwal	Sanjay Garg	Deepika Sharma	Palani Samy Kungumaraju
Brief Resume	Mr. Hartaj Sewa Singh is a Master of Business Administration (Finance) from Delhi University. He has more than 40 years of experience in his field.	Mr. Pankaj Agarwal is an M.Com. is a fellow Member of the Institute of Company Secretaries of India (ICSI), with post qualification experience of about three decades in the field, Shri Pankaj Agarwal is working as Company Secretary in National Textile Corporation Limited (NTCL), a govt. of India Organisation since 2001. He is also Estate officer under Public Premises (Eviction of unauthorized Occupants) Act, 1971. Mr. Agarwal is nominee director of NTC in its 5 Joint Venture Companies.	Mr Sanjay Garg is a graduate engineer of 1993 batch and did his MBA from IMT Ghaziabad in year 2018 and worked internationally in reputed organisations like MP Birla Group and Elsewedy Cable Egypt. He has total working experience of 29 years. Presently he is heading Manufacturing operation of Paharpur Cooling towers - Sahibabad as a Unit head.	Smt. Deepika Sharma is a qualified Cost Accountant from Institute of Cost Accountant of India. She has vast experience of Accounts & Finance with various Private & Public Sector Undertakings. She is presently holding the post of Deputy General Manager (Finance) at National Textile Corporation Limited, Central PSUs under the ambit of Ministry of Textiles and nominated as Director on the various Subsidiary & Associates Companies of National Textile Corporation Limited.	SH. P. KUNGUMARAJU is a textile engineer having an experience of more than 36 years in spinning industry. He has been worked with the leading working Textile Spinning mills in India and Overseas in the areas of project planning, implementation, erection and maintenance. Production, quality control & Admin etc. Joined to NTC in 2010 and worked with mills in Kerala and Tamil Nadu. He held the responsibility of Southern regional office as Officer-In charge. He is presently working as Officer-In charge / Region Head of NTC WRO.
Experience	41 years	24 years	29 years	More than 20 years	36 years
Term & Conditions	-	-	-	-	-
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years;	NA	NA	NA	NA	NA

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

ITEM NO. 5

The Company has received a written communication from National Textile Corporation Limited (NTC Limited) for nominating Ms. Deepika Sharma (DIN- 08873691) as a Nominee Director to represent on the Board of the Company on behalf of NTC Limited.

Ms. Deepika Sharma (DIN- 08873691) was appointed on the Board of Director of the Company on 16th November, 2022 as an Additional Director (Nominee) of the Company. Shareholder consent of the Company is required to confirm and approve her appointment as Nominee Director of the Company.

The directors recommend the resolution at Item no. 5 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

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Save and except Ms. Deepika Sharma (DIN- 08873691) being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

The Company has received a written communication from National Textile Corporation Limited (NTC Limited) for nominating Mr. Palani Samy Kungumaraju (DIN- 10164262) as a Nominee Director to represent on the Board of the Company on behalf of NTC Limited.

Mr. Palani Samy Kungumaraju (DIN- 10164262) was appointed on the Board of Director of the Company on 18th April, 2023 as an Additional Director (Nominee) of the Company. Shareholder consent of the Company is required to confirm and approve his appointment as Nominee Director of the Company.

The directors recommend the resolution at Item no. 6 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

Save and except Mr. Palani Samy Kungumaraju (DIN- 10164262) being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 6 of the Notice.

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

Sd/-
Anuradha Sharma
Company Secretary
Membership No: A51838

Place: Ghaziabad
Date: 11.08.2023

DIRECTORS' REPORT TO THE MEMBERS**DEAR SHAREHOLDERS,**

Your Directors have pleasure in presenting their 53rd Annual Report along with the Audited Financial Statements on the Business and operations of the Company for the financial year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

The highlights of your Company's financial results for the financial year ended March 31, 2023 and for the previous year are summarized below:

(Rs. in Lakhs)

Particulars	Year Ended on 31.03.2023	Year Ended on 31.03.2022
Revenue from Operations	4433.56	3622.80
Other Income	246.66	47.10
Total Income	4680.22	3669.90
Total Expenditure	356.43	289.26
Profit/(Loss) before tax from Continued operations	4323.79	3380.64
Tax Expenses from Continued operations	836.61	835.44
Profit (Loss) from continuing operations	3487.18	2545.20
Profit/(Loss) before tax from discontinued operations	(3.32)	9.80
Tax Expenses from discontinued operations	(0.84)	2.47
Profit/(Loss) from discontinuing operations	(2.48)	7.33
Profit (Loss) after tax	3484.70	2552.53

APPROPRIATIONS:**a. DIVIDEND**

Your Directors have not recommended any dividend for the financial year ended 31st March, 2023.

UNPAID / UNCLAIMED DIVIDEND

No amount of unpaid / unclaimed dividends and unclaimed equity shares to IEPF account was transferred during the year as the same was not required.

b. TRANSFER TO GENERAL RESERVE

The Company has not transferred any amount to general reserve during the current financial year. Company earned profit of Rs. 3484.70 lakhs during the Financial Year 2022-23.

SHARE CAPITAL

- The Company has not made any allotments during the year under review.
- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any sweat equity shares during the year under review.
- No Bonus shares were issued during the year under review.
- The Company has not provided any Stock Option Scheme to the employees.

SWADESHI POLYTEX LIMITED

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, no changes have occurred in the nature of the Company's business.

ALTERATION IN THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

During the year under review there was no alteration in Memorandum of Association and Articles of Association.

STATE OF COMPANY'S AFFAIRS

The Company has earned profit of Rs. 3484.70 lakhs during the Financial Year 2022-23.

The total income for the financial year under review increased to Rs. 4680.22 lakhs as against Rs. 3669.90 lakhs for the previous financial year. Profit from continuing operations was Rs. 3487.18 lakhs for the financial year under review as against the profit of Rs. 2545.20 lakhs for the previous financial year. Loss from discontinued operations was Rs. 2.48 lakhs for the financial year under review as against the profit of Rs. 7.33 lakhs in the previous financial year. The profit of the Company for the financial year under review after tax was Rs. 3484.70 lakhs as against profit of Rs. 2552.53 lakhs in the previous financial year.

ANNUAL RETURN

The Annual Return pursuant to the provisions of Section 134 (3) and 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 31st March, 2023 is available on the website of the Company at <https://www.splindia.co.in>

NUMBER OF MEETINGS OF THE BOARD

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

Sl. No.	Type of Meeting	No. of meetings	Date of Meeting	Directors attended the meeting
1.	Board Meeting	2/2022	19.05.2022	1. Mr. Gaurav Swarup 2. Mr. Hartaj Sewa Singh 3. Mr. Manoj Kumar K. G 4. Mr. Arun Kumar Singhania 5. Mr. Niranjana Kumar Gupta 6. Mr. Naveen Aggarwal 7. Mr. Shyam Sunder Madan 8. Ms. Purni Gupta
2.	Board Meeting	3/2022	09.08.2022	1. Mr. Gaurav Swarup 2. Mr. Hartaj Sewa Singh 3. Mr. Arun Kumar Singhania 4. Mr. Naveen Aggarwal 5. Mr. Niranjana Kumar Gupta 6. Mr. Shyam Sunder Madan 7. Ms. Purni Gupta 8. Mr. Ashutosh Gupta 9. Mr. Sanjay Garg

SWADESHI POLYTEX LIMITED

Sl. No.	Type of Meeting	No. of meetings	Date of Meeting	Directors attended the meeting
3.	Board Meeting	4/2022	10.11.2022	1. Mr. Gaurav Swarup 2. Mr. Hartaj Sewa Singh 3. Mr. Arun Kumar Singhania 4. Mr. Manoj Kumar K. G 5. Mr. Naveen Aggarwal 6. Mr. Niranjan Kumar Gupta 7. Ms. Perti Gupta 8. Mr. Shyam Sunder Madan
4.	Board Meeting	1/2023	13.02.2023	1. Mr. Gaurav Swarup 2. Mr. Hartaj Sewa Singh 3. Mr. Arun Kumar Singhania 4. Mr. Niranjan Kumar Gupta 5. Mr. Shyam Sunder Madan 6. Ms. Perti Gupta 7. Mr. Manoj Kumar K. G 8. Mr. Pankaj Agarwal 9. Mr. Ashutosh Gupta 10. Mr. Sanjay Garg 11. Ms. Deepika Sharma
5.	Annual General Meeting for the FY 2021-22	52 nd	21.09.2022	1. Mr. Naveen Aggarwal 2. Mr. Manoj Kumar K.G. 3. Mr. Ashutosh Gupta 4. Mr. S. S. Madan 5. Ms. Perti Gupta 6. Mr. Pankaj Agarwal 7. Mr. Sanjay Garg

COMPOSITION OF AUDIT COMMITTEE

The Company has formed the Audit Committee pursuant to the provisions of Section 177 of the Act consisting of the following members:

- | | | |
|-----------------------------|---|------------------|
| 1. Mr. Naveen Aggarwal | : | Chairman |
| 2. Mr. N.K. Gupta | : | Committee Member |
| 3. Mr. Sanjay Garg | : | Committee Member |
| 4. Mr. Arun Kumar Singhania | : | Committee Member |

During the year Four (04) meetings of the Audit Committee were convened and held on:

- 19th May, 2022
- 9th August, 2022
- 10th November, 2022
- 13th February, 2023

SWADESHI POLYTEX LIMITED

Majority of the members of the Audit Committee are financially literate and have accounting or related financial management expertise.

Attendance of the Members at the Meeting was as follows:

Name	Designation/Status	No. of Meetings entitled to attend	No. of Meetings attended
Naveen Aggarwal	Chairman	4	3
N.K. Gupta	Member	4	4
Arun Kumar Singhania	Member	4	4
Sanjay Garg	Member	3	3

COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Company has formed the Nomination & Remuneration Committee pursuant to the provisions of Section 178 of the Act consisting of the following members:

1. Mr. Hartaj Sewa Singh : Chairman
2. Mr. Naveen Aggarwal : Committee Member
3. Mr. Shyam Sunder Madan : Committee Member
4. Mr. Arun Kumar Singhania : Committee Member

During the year Two (02) meetings of the Nomination & Remuneration Committee were convened and held on:

- 19th May, 2022
- 9th August, 2022

Attendance of the Members at the Meeting was as follows:

Name	Designation/Status	No. of Meetings entitled to attend	No. of Meetings attended
Hartaj Sewa Singh	Chairman	2	1
Naveen Aggarwal	Member	2	2
Shyam Sunder Madan	Member	2	2
Arun Kumar Singhania	Member	2	1

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has formed the Stakeholders Relationship Committee pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") consisting of the following members:

- Mr. Niranjana Kumar Gupta : Chairman
Mr. S. S. Madan : Member
Mr. Bhuwan Chaturvedi : Member
Mr. D.K. Agarwal : Member

During the year only one meeting of the Stakeholders Relationship Committee was convened and held on 13th February, 2023.

Attendance of the Members at the Meeting was as follows:

Name	Designation/Status	No. of Meetings entitled to attend	No. of Meetings attended
Mr. Niranjan Kumar Gupta	Chairman	1	1
Mr. Shyam Sunder Madan	Member	1	1
Mr. Bhuwan Chaturvedi	Member	1	1
Mr. Dinesh Kumar Agarwal	Member	1	1

DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility that to the best of their knowledge and belief, for ensuring compliance with the provisions of section 134 (3) (c) and Section 134 (5) of the Act, in the preparation of the annual accounts for the financial year ended 31st March, 2023 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 (7) OF THE COMPANIES ACT, 2013

Your Company has received Declarations of Independence as stipulated under section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from Independent Directors confirming that he/she is not disqualified from being appointed/re-appointed/continue as an Independent Director as per the criteria laid down in section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

In the opinion of the Board, all the independent directors are persons of integrity and possess the relevant expertise and experience (including proficiency) as required under the Act and the Rules made there under.

RETIREMENT BY ROTATION

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

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1. Mr. Hartaj Sewa Singh having Director's Identification Number 00173286;
2. Mr. Pankaj Agarwal having Director's Identification Number 08467347;
3. Mr. Sanjay Garg having Director's Identification Number 09539286;

Further, as required under the Listing Regulations and Secretarial Standard on General Meetings, the brief resume of the above directors is furnished in the explanatory statement to the Notice convening the ensuing Annual General Meeting of the Company.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and Rules made there under The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performances of the Board, and that of its committees and individual Directors, CEO and Chairman has to be made. The evaluation process focused on various aspects of the Board and committees functioning such as their composition, experience and competencies, performance of specific duties and obligations, corporate governance and compliance management. A separate meeting of the Independent Directors was held, inter-alia, to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and to assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Composition of the Board of Directors ("Board") is in terms of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year 2022-23, following changes took place in the Board of Directors and Key Managerial Personnel of the company:

S. No.	DIN/PAN	Director's Name	Date of Re-Appointment/Regularization/Resignation	Status
1	00374298	Mr. Gaurav Swarup	21 st September, 2022	Retire by Rotation
2	09043439	Mr. Ashutosh Gupta	21 st September, 2022	Retire by Rotation
3	00160194	Mr. Arun Kumar Singhania	21 st September, 2022	Retire by Rotation
4	08467347	Mr. Pankaj Agarwal	19 th May, 2022	Appointment
			21 st September, 2022	Regularized
5	09539286	Mr. Sanjay Garg	19 th May, 2022	Appointment
			21 st September, 2022	Regularized
6	06624132	Mr. A. Sukumar	19 th May, 2022	Resigned
7	09384308	Ms. Amisha Srivastava Gupt	21 st September, 2022	Regularized
			16 th November, 2022	Resigned
8	08873691	Ms. Deepika Sharma	16 th November, 2022	Appointment
9	CKYPS8175C	Ms. Anuradha Sharma(CS)	19 th May, 2022	Appointment

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

No Independent Director was appointed or re-appointed during the Financial Year 2022-23.

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 Act. As on date there is no executive director appointed in the Company.

AUDITORS:**a. STATUTORY AUDITORS & STATUTORY AUDITORS REPORT:**

In accordance with the provisions of the Companies Act, 2013 and Rules made thereunder M/s. SANMARK & Associates, Chartered Accountants (ICAI Firm Registration No. 003343N) were appointed as Statutory Auditors of the Company for a term of five years from the conclusion of 52nd Annual General Meeting held on 21st September, 2022 until the conclusion of 57th Annual General Meeting to be held in the year 2027.

The Auditors' Report on the Financial Statements of the Company for the Financial Year 2022-23 to the Members is part of Annual report. The Auditors' Report on financial statements issued by the Statutory Auditors read together with relevant notes thereon are self-explanatory and hence, do not required for any further comments under Section 134 of the Companies Act, 2013. There are no qualifications, reservations or adverse remarks or disclaimers requiring any explanation in their report.

There have been no instances of frauds reported by the Auditors under Section 143 (12) of the Act and the Rules framed thereunder, either to the Company or to the Central Government.

REPORTING OF FRAUDS BY AUDITORS:

During the year under review, Statutory Auditors, Secretarial Auditors did not report any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Act. Hence, no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

b. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Baldev Singh Kashtwal, (Practicing Company Secretary) as Secretarial Auditor to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2023. The Secretarial Audit Report in form MR-3 received from Secretarial Auditor is annexed herewith as "**Annexure A**" forming part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

c. INTERNAL AUDITORS

The Board of Directors of the Company has re-appointed M/s. NSBP & Co. as Internal Auditors, pursuant to the provisions of Section 138 of the Act.

d. COST AUDITORS

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 the Company is not required to maintain cost records.

SECRETARIAL STANDARDS

The Directors state that the applicable mandatory Secretarial Standards i.e., SS-1: Secretarial Standard on Meetings of the Board of Directors and SS-2: Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India have been duly followed by the Company.

SWADESHI POLYTEX LIMITED

DETAILS OF LOAN/ GUARANTEES / INVESTMENTS MADE

During the year, 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.

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

This particular clause is not applicable on the Company as there was no Related Party Transactions during the year.

PUBLIC DEPOSITS

Your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year. There are no outstanding deposits as on March 31, 2023.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL PERIOD OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relate and the date of this report other than those explained herein.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

There was no amount required to be transferred to Investor Education and Protection Fund (IEPF) as per Section 124 of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules").

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 all 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 out go during they are 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, both in respect of internal and external risks. The objective is to minimize the impact of risks identified and taking advance actions to mitigate them. Risk management forms an integral part of the management policy and is an ongoing process integrated with operations 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.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder, your Company has formulated an internal policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal).

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of occurrence.

The Internal Complaints Committee is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

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

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A policy which is in line with the statutory requirements is in place

- a. number of complaints filed during the financial year - Nil
- b. number of complaints disposed of during the financial year - Nil
- c. number of complaints pending as on end of the financial year - Nil

CORPORATE SOCIAL RESPONSIBILITY POLICY

In accordance with the provisions of the Companies Act, 2013 and rules made thereunder, Your Company has formulated a CSR policy. The contents of this policy are available on the Company's website https://www.splindia.co.in/corporate_governance.html.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has a Corporate Social Responsibility (CSR) Committee. Your Company as part of its CSR initiatives has undertaken projects/programs in accordance with the CSR Policy. The brief outline of the CSR policy of the Company, the CSR initiatives/ activities undertaken by the Company details of the Composition of CSR Committee are given as "Annexure-B" forming part of this Report in the format prescribed in Companies (Corporate Social Responsibility Rules) 2014.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company does not have any subsidiary, Joint venture or Associate Company as on 31st March, 2023.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Sections 177(9) & (10) of the Act, the Company has adopted a Whistle Blower Policy to provide vigil mechanism for Directors/Employees to voice their concerns in a responsible and effective manner regarding unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct and Insider Trading Regulations. It also provides adequate safeguards against victimization of Directors/Employees who avail the mechanism. The Company affirms that during FY 2022-23, no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy established by the Board is available on the Company's website.

INSIDER TRADING REGULATION

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

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

SWADESHI POLYTEX LIMITED

CORPORATE GOVERNANCE REPORT

As per Financial Statement of FY 2022-23, now Your Company's net worth was risen to Rs. 25 Crore, which has created applicability of Corporate Governance Report on the Company. As per Regulation 15(2), Corporate governance provisions specified in **regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and para-C, D and E of Schedule V** (viz., composition of board of directors and committees, related party transactions, vigil mechanism, functional website etc.) are applicable to your company.

Provided that where the provisions of regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para-C, D and E of Schedule V become applicable to a listed entity at a later date, **it shall ensure compliance with the same within six months from such date.**

Therefore, the Company will do all the compliances within stipulated maximum time limit of Six months to follow all the provisions which are mentioned in the regulations 17 to 27 and 46. The Company is in the process to finalize the things as per regulation 17 to 27 and 46 and follow all the provisions within stipulated extended time period i.e., Six Months from the date of Adoption of Accounts.

Hence, the Corporate Governance Report is not the part of the Board's report.

BUSINESS RESPONSIBILITY REPORT

Report on Business Responsibility report is not applicable to the Company as per Regulation 34(2) (f) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has designed and implemented a process-driven framework for internal financial controls within the meaning of explanation to section 134(5)(e) of the Act. For FY 2022-23, the Board is of the opinion that the Company has sound Internal Financial controls commensurate with the nature and size of its business operations, wherein controls are in place and operating effectively.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Assurance on the effectiveness of internal financial controls is obtained through management reviews, self-assessment, continuous monitoring by functional experts as well as testing by the Statutory/Internal Auditors during the course of their audits. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. The observations and comments of the Audit Committee are placed before the Board time to time.

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 AND REMUNERATION

The statement containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 (as amended), is given in “Annexure C” forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

Management discussion and analysis report highlighting the performance and prospects of the Company’s business for the year, as stipulated under Regulation 34 (2) (e) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) is presented in “Annexure-D”.

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 any Regulator or Court or Tribunal which can have impact on the going concern status of the Company and its operations in future.

DETAILS OF APPLICATION MADE BY THE COMPANY OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year the Company has not made any application under the Insolvency and Bankruptcy Code, 2016 (31 OF 2016) neither any proceeding under the said Code is pending.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

This particular clause is not applicable on the Company as the Company has not taken any loan from Banks or Financial Institutions.

ACKNOWLEDGEMENTS

The Directors wish to thank the Company’s customers, business partners, vendors, bankers & financial institutions, all government & non-governmental agencies, and other business associates for their continued support. The Directors also acknowledge and appreciate the support and confidence reposed by the Company’s shareholders. The Directors remain committed to enable the Company to achieve its long-term growth objectives in the coming years.

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

Place: Ghaziabad
Date : 11.08.2023

Sd/-
(Sanjay Garg)
Director
(DIN:09539286)

Sd/-
(Shyam Sunder Madan)
Director
(DIN:02427885)

FORM NO. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023**

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

The Members

Swadeshi Polytex Limited

(CIN: L25209UP1970PLC003320)

A-1, Sector-17, New Kavi Nagar,

Industrial Area,

Ghaziabad – 201002 (U. P.)

I 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”**). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Swadeshi Polytex Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the company has proper Board - Processes and Compliance – Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Swadeshi Polytex Limited (**“the Company”**) for the financial year ended on 31st March, 2023 according to the provisions of :-

- (i) The Companies Act, 2013 (“the Act”) and rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings; the provisions of the Overseas Direct Investment, and External Commercial Borrowings wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) :-
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the audit period) ;
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not applicable during the Audit Period);
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable during the audit period) ;
- (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not applicable during the Audit Period);
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ('Delisting Regulations') (Not applicable during the Audit Period);
- (i) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client to the extent of securities issued (Not applicable during the Audit Period);
- (j) Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2018 (Not applicable during the Audit Period);
- (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (to the extent applicable);
- (l) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 ; and
- (vi) Indian Contract Act, 1872;
- (vii) Indian Stamp Act, 1899;
- (viii) Contract Labour (Regulation and Abolition) Act, 1970;
- (ix) Industrial Employment (Standing Orders) Act, 1946 and other applicable labour laws.
- (x) Water (Prevention and Control of Pollution) Act, 1974 and Rules;

I have also examined the compliance with respect to the applicable clauses of the following:-

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with the BSE Limited, Mumbai.

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 compliance by the Company of applicable fiscal laws, such as direct and indirect laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditors.

WE FURTHER REPORT THAT:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a woman Director. The changes in the composition of the Board of Directors, if any, that took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes

SWADESHI POLYTEX LIMITED

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; and

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

WE FURTHER REPORT THAT there are adequate compliance systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of :-

- (i) Public / Rights / Preferential Issue of Shares / Debenture / Sweat Equity;
- (ii) Redemption / Buy-back of Securities;
- (iii) Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013;
- (iv) Merger / Amalgamation / Reconstruction etc.;
- (v) Foreign Technical Collaborations.

Name : CS BALDEV SINGH KASHTWAL

FCS No. : 3616

C P No. : 3169

ICSI – UDIN: F003616E000489222

ICSI - Peer Review Certificate Number: 1205/2021

ICSI - Unique Identification Number : F003616E000489222

Date: June 23, 2023

Place: Delhi

Note: *This Report is to be read with my letter of even date which is annexed as an “Annexure-A” and forms an integral part of this Report.*

To
The Members
Swadeshi Polytex Limited
(CIN: L25209UP1970PLC003320)
A-1, Sector-17, New Kavi Nagar,
Industrial Area,
Ghaziabad – 201002 (U. P.)

Re: Secretarial Audit Report for the Financial Year ended 31st March, 2023 of even date is to be read along with this letter

I report that:-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification of the scanned copies of the records was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- c) I have not verified the correctness and appropriateness of the financial statements of the Company.
- d) I have obtained the management representation about the compliance of laws, rules and regulations, wherever required.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on a random test basis.
- f) The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Name : CS BALDEV SINGH KASHTWAL

FCS No. : 3616

C P No. : 3169

ICSI – UDIN: F003616E000489222

ICSI - Peer Review Certificate Number: 1205/2021

ICSI - Unique Identification Code : F003616E000489222

Date: June 23, 2023

Place: Delhi

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

It is pertinent that business enterprises are economic organs of society and draw on societal resources; we at the company believe that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability.

Swadeshi Polytex aims to carry out charitable objects and purposes wide enough for the extension of benefit thereof to all, irrespective of class, creed and relief of poor, education, medical relief and advancement of any object of general and/or public utility. Such Corporate Social Responsibility (CSR) projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and working for a cause of humanity.

2. Composition of CSR Committee as on March 31, 2023:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during FY 2022-23	Number of meetings attended
1	Mr. Shyam Sunder Madan	Chairman, Independent Director	1	1
2	Mr. Sanjay Garg	Member, Nominee Director	1	1
3	Ms. Purti Marwaha	Member, Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

https://www.splindia.co.in/corporate_governance.html

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the company as per section 135(5): Rs.155,297,000/-

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 31,11,000/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the Financial year (7a+7b-7c): Rs. 31,11,000/-

8. (a) CSR amount spent or unspent for the Financial Year:

SWADESHI POLYTEX LIMITED

Total amount spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL			31,11,000/-		

- (b) Details of CSR amount spent against ongoing projects for FY 2023: Nil
- (c) Details of CSR amount spent against other than ongoing projects for FY 2023: NA
- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e):Rs. NIL
- (g) Excess amount for set off, if any:

S. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	31,11,000/-
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	NA

9. (a) Details of Unspent CSR amount for the preceding three financial years: 31,11,000/-
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Company has spent the CSR amount in PM CARE Fund on 04.08.2023 as recommended by CSR Committee at their respective meeting on 22nd May, 2023.

By order of the Board
For Swadeshi Polytex Limited

Place: Ghaziabad
Date: 11.08.2023

Sd/-
(Shyam Sunder Madan)
Chairman of CSR Committee
(DIN: 02427885)

Sd/-
(Sanjay Garg)
Director
(DIN: 09539286)

INFORMATION PURSUANT TO SECTION 197 OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014

- 1. Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** The Company is not paying remuneration to any Director; therefore, the same is not applicable on the Company.
- 2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** 10% Increase in the remuneration of CFO of the Company during the Financial Year 2022-23. After that no increase made during the year.
- 3. The percentage increase in the median remuneration of employees in the financial year:** Not applicable as the Company does not have employees.
- 4. Number of permanent employees on the rolls of the Company:** Nil
- 5. Average percentile increases already made in the salaries of employees' other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not Applicable
- 6. Key parameters for any variable component of remuneration availed by the directors:** Not applicable
- 7. Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid to Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.
- 8. Statement pursuant to Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:** Not applicable as the Company does not have employees.

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

Place: Ghaziabad
Date : 11.08.2023

Sd/-
(Sanjay Garg)
Director
(DIN:09539286)

Sd/-
(Shyam Sunder Madan)
Director
(DIN:02427885)

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34(3) and Para B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments thereof, details of the Management discussion and analysis are given below:

ECONOMIC REVIEW**Global economy**

The baseline forecast is for growth to fall from 3.4% in 2022 to 2.8% in 2023, before settling at 3.0% in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7% in 2022 to 1.3% in 2023. With further financial sector stress, global growth declines to about 2.5% in 2023 with advanced economy growth falling below 1.0%. Global headline inflation in the baseline is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.

Indian economy

India's growth continues to be resilient despite some signs of moderation in growth, although significant challenges remain in the global environment, India was one of the fastest growing economies in the world. The overall growth remains robust and is estimated to be 6.9% for the full year with real GDP growing 7.7% year on year during the first three quarters of FY 2022-23. There were some signs of moderation in the second half of FY 2022-23. Growth was underpinned by strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners. Inflation remained high, averaging around 6.7% in FY 2022-23 but the current account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices.

The central government is likely to meet its fiscal deficit target of 5.9% of GDP in FY 2023-24 and combined with consolidation in state government deficits, the general government deficit is also projected to decline. As a result, the debt to GDP ratio is projected to stabilize. On the external front, the current account deficit is projected to narrow to 2.1% of GDP from an estimated 3.0% in FY 2022-23 on the back of robust service exports and a narrowing merchandise trade deficit. Spillovers from recent developments in financial markets in the US and Europe pose a risk to short-term investment flows to emerging markets, including India.

Industry Review

The real estate sector is one of the most globally recognized sectors. Real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces.

OPPORTUNITIES, THREATS, RISK AND CONCERNS

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. Your Company's well accepted brand, contemporary architecture, well designed projects in strategic locations, strong balance sheet and stable financial performance even in testing times make it a preferred choice for customers and shareholders.

SWADESHI POLYTEX LIMITED

BUSINESS OUTLOOK AND OVERVIEW

The Company had entered into Real Estate in the year 2011. 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.

MATERIAL 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.

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 authorized and recorded. Information provided to management is reliable and timely. Company ensures adherence to all statutes.

INTERNAL FINANCIAL CONTROL

Your Company has adequate system of Internal Controls commensurate with the nature, size and complexity of its business.

These systems are reviewed and improved on a regular basis. It has a budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis. The Audit Committee of the Board periodically reviews audit plans, observations and recommendations of the internal and external auditors, with reference to the significant risk areas and adequacy of internal controls and keeps the Board of Directors informed of its observations, if any, from time to time. The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

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 increased to Rs. 4433.56 Lakhs for the financial year 2022-23, as compared to Rs. 3622.80 Lakhs 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 and incidental factors.

INDEPENDENT AUDITORS' REPORT

To
 The Members of
 Swadeshi Polytex Limited
 Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matter	Auditor's Response
1	Procedure for Revenue Recognition.	<p>Our Principal Audit Procedures included :</p> <ul style="list-style-type: none"> ■ We have studied the Agreement to Sell along with Addendums thereto with respect to recognition of revenue. We have also examined the communications received by the Company from its customers. ■ We have studied the relinquishment letters issued by the Company to the customers in respect of leasehold plots and applied cut off procedures for revenue recognition.

SWADESHI POLYTEX LIMITED

S. No	Key Audit Matter	Auditor's Response
	Refund claims related to discontinued operations	<p>Our Principal Audit Procedures included :</p> <ul style="list-style-type: none"> ■ We read and evaluated the accounting policies and disclosures made in the financial statements with respect to refund claims. ■ We obtained list of claims filed by the Company with various forums and understood the process of recognition of income arising out of the said claims. ■ We have read the Orders passed by the Judicial Authorities and appeals filed by the concerned Departments and the Company and understood the process of determination of point of time for identification and recognition of income. <p>We have read the minutes of meetings of the Audit Committee and Board of Directors of the company related to noting of status of outstanding claims.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes

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public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the Company had not paid remuneration to its directors during the current year.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33 to the 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. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 45.5 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 45.6 to the Financial Statements, no funds have been received by the Company from any persons or entity including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v). The Company has neither declared nor paid any dividend during the year.
- vi). Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules 2014 is not applicable for the financial year ended 31st March 2023.

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

S. K. Bansal
Partner

Membership No.: 082242
UDIN: 23082242BGZGSQ5973

Place : Faridabad
Date : 22nd May, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our Report of even date to the members of Swadeshi Polytex Limited for the year ended 31st March 2023) We report that :

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) We are explained that the management has carried out the physical verification of its Property, Plant and Equipment at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) On the basis of our examination of records of the Company and information and explanations given, the title deeds of the immovable property included in Property, Plant and Equipment are held by it in its own name. Further, the provisions of this clause are not applicable in respect of leasehold land owned by the Company and held as Stock in Trade.
- (d) The Company has not revalued any of its Property, Plant and Equipment or Intangible Assets or both during the year.

SWADESHI POLYTEX LIMITED

- (e) According to the information and explanations given to us and on the basis of our examination of records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The only inventory in hand is in the form of lease hold plots 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.
- (b) We are explained that the Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of records of the Company, during the year under report, the Company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties. Hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, it had complied with provisions of sections 185 and 186 of the Act in respect of loans granted by it to a party in earlier year.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and relevant rules framed thereunder. Accordingly reporting requirements under clause 3(v) of the Order are not applicable to the Company.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us it has been regular in depositing undisputed statutory dues, including Goods and Service Tax, Income Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. Further, there were no arrears of such undisputed dues as at 31st March 2023 for a period of more than six months from the date they became payable. As explained to us, provisions of Employees Provident Fund and Employees' State Insurance Act are not applicable to the Company for the year under report as it had no employees.
- (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 income tax/custom duty/ excise duty, which have not been deposited as at March 31, 2023 on account of any dispute:

Name of Statute	Nature of Dues	Amount (In lacs)	Period	Forum at which dispute is pending
The Customs Act, 1962	Custom Duty & other dues.	17.11	Various	Various
The Central Excise Act, 1944	Refund of the Central Excise Duty and interest thereon	323.60	2019-20	CESAT
The Income Tax Act, 1961	Demand for assessment year 2012-13	22.17	2012-13	CIT (Appeals)

- (viii) According to information and explanation given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to information and explanation given to us and on the basis of our examination of the records of the company, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) According to information and explanation given to us and on the basis of our examination of the records of the company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loan during the year under report. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to information and explanation given to us and on an overall examination of the financial statements of the Company, funds received on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to information and explanation given to us, the Company has neither any subsidiary company, associate company or joint ventures company nor it has taken any funds from any entity or person. Hence reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year, hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year under report, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have been informed by the management that the Company has not received any whistle blower complaints during the year, hence reporting under clause 3(xi)(c) 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 reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports of the Company for the period under audit issued to the Company during the year and till date.

SWADESHI POLYTEX LIMITED

- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities Accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no Core Investment Company as a part of the group. Accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under paragraph 3(xviii) of the Order is not applicable to the Company
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note 46 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company has transferred the unspent amounts towards Corporate Social Responsibility (“CSR”) at the end of the previous financial year in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with the second proviso to sub section (5) of section 135 of the Companies Act, 2013.

In respect of other than ongoing projects, the Company has not transferred the unspent CSR amounts as at March 31, 2023 that was required to be spent during the year , to a Fund in compliance with the second proviso to sub section (5) of section 135 of the Companies Act, 2013 till the date of our report. However the time period for such transfer i.e six months of the expiry of financial year as permitted under the said second proviso to sub section (5) of section 135 of the Act, has not elapsed till the date of our report.

- (b) We have been informed that there are no unspent CSR amounts as at March 31, 2023 related to ongoing projects requiring transfer to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Companies Act, 2013.

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

Place : Faridabad
Date : 22-05-2023

S. K. BANSAL
Partner
Membership No.: 082242
UDIN: 23082242BGZGSQ5973

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Swadeshi Polytex Limited of even date)

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

We have audited the internal financial controls with reference to financial Statements of Swadeshi Polytex Limited (“the Company”) as of 31 March 2023 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 (the ‘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 with reference to these financial Statements 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”) issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference the financial statements. 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 with reference to financial statements 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 with reference the financial statements and their operating effectiveness. Our audit of internal financial controls with reference the financial statements included obtaining an understanding of internal financial controls with reference the financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to the Financial Statements.

A company’s internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Financial Statements 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;

SWADESHI POLYTEX LIMITED

- 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 receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and;
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2023, based on the internal financial control with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

S. K. BANSAL
Partner

Membership No.: 082242
UDIN: 23082242BGZGSQ5973

Place : Faridabad
Date : 22-05-2023

SWADESHI POLYTEX LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. in '000)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
I ASSETS			
(1) Non-current asset			
(a) Property, Plant and Equipment	5	640	476
(b) Intangible Assets	6	164	220
(c) Financial Assets:			
(i) Loans	7	3,768	4,203
(ii) Other non-current assets	8	1,18,025	20
(d) Deferred Tax Assets (net)	9	-	10,082
Total non-current assets		1,22,597	15,001
(2) Current Asset			
(a) Inventories	10	37,782	50,039
(b) Financial Assets:			
(i) Cash and cash equivalents	11	174	27,785
(ii) Other bank balances	12	4,64,744	2,26,306
(iii) Loans	13	435	399
(iv) Other Financial Assets	14	12,924	509
(c) Current Tax Assets (net)	15	9,169	17,332
(d) Other Current Assets	16	3,155	2,398
Total current assets		5,28,383	3,24,768
Total Assets		6,50,980	3,39,769
II EQUITY & LIABILITIES			
EQUITY			
(a) Equity share capital	17	39,000	39,000
(b) Other equity	18	2,24,949	(1,23,521)
Total Equity		2,63,949	(84,521)
LIABILITIES			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	19	21,642	21,642
(b) Deferred Tax Liabilities (net)	9	57	-
Total non-current liabilities		21,699	21,642
(2) Current liabilities			
(a) Financial liabilities:			
(i) Trade payables	20		
(a) total outstanding dues of micro enterprises and small enterprises		1,373	775
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		9,801	3,320
(ii) Other financial liabilities	21	10	10
(b) Other current liabilities	22	3,51,037	3,97,092
(c) Provisions	23	3,111	1,451
Total current liabilities		3,65,332	4,02,648
Total Equity and Liabilities		6,50,980	3,39,769

Significant Accounting Policies

4

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

As per our Report of even date attached

For SANMARK & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-

(S.K. Bansal)

Partner

FRN : 003343N, M.No. : 082242

Sd/-

(Shyam Sunder Madan)

Director

(DIN: 02427885)

Sd/-

(Sanjay Garg)

Director

(DIN: 09539286)

Sd/-

(Ankit Garg)

Chief Financial Officer

Sd/

(Anuradha Sharma)

Company Secretary

Place : Faridabad

Date : 22.05.2023

UDIN: 23082242BGZGSQ5973

Sd/-

(Bhuwan Chaturvedi)

Chief Executive Officer

SWADESHI POLYTEX LIMITED

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

(Rs. in '000)

Particulars	Note No.	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
Revenue from operations	24	4,43,356	3,62,280
Other Income	25	24,666	4,710
Total Income		4,68,022	3,66,990
EXPENSES			
Changes in inventories	26	12,257	10,015
Depreciation and amortization expense	27	161	148
Other expenses	28	23,225	18,763
Total Expenses		35,643	28,926
Profit / (Loss) before tax		4,32,379	3,38,064
Less : Tax Expenses			
- Current tax		73,534	46,253
- Deferred tax		10,139	37,197
- Earlier Years		(12)	94
Total Tax Expenses		83,661	83,544
Profit / (Loss) from continuing operations		3,48,718	2,54,520
Profit / (Loss) from discontinued operations	29	(332)	980
Tax expenses of discontinued operations		(84)	247
Profit / (Loss) from discontinuing operations after tax		(248)	733
Profit / (Loss) for the year		3,48,470	2,55,253
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the year		3,48,470	2,55,253
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)			
-Continued Business			
(i) Basic (in Rs.)	30	8.94	6.53
(ii) Diluted (in Rs.)	30	8.94	6.53
Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)			
- Discontinued Business			
(i) Basic (in Rs.)	30.1	(0.01)	0.02
(ii) Diluted (in Rs.)	30.1	(0.01)	0.02

Significant Accounting Policies

4

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

As per our Report of even date attached

For SANMARK & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

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

Sd/-
(Shyam Sunder Madan)
Director
(DIN: 02427885)

Sd/-
(Sanjay Garg)
Director
(DIN: 09539286)

Place : Faridabad

Sd/-
(Ankit Garg)

Sd/
(Anuradha Sharma)

SWADESHI POLYTEX LIMITED

Date : 22.05.2023

UDIN: 23082242BGZGSQ5973

Chief Financial Officer

Company Secretary

Sd/-

(Bhuwan Chaturvedi)

Chief Executive Officer

Place : Faridabad

Date : 22.05.2023

UDIN: 23082242BGZGSQ5973

(Ankit Garg)

Chief Financial Officer

(Anuradha Sharma)

Company Secretary

Sd/-

(Bhuwan Chaturvedi)

Chief Executive Officer

SWADESHI POLYTEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

		Year Ended 31-03-2023 Amount (Rs)	Year Ended 31-03-2022 Amount (Rs)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit / (Loss) for the year before Tax from continuing operations	4,32,379	3,38,064
	Profit / (Loss) for the year before Tax from discontinuing operations	(332)	980
	Adjustments for :		
	Depreciation and amortization expenses	161	148
	Interest received	(24,666)	(4,710)
	Operating Profit before working capital changes	4,07,542	3,34,482
	Adjustments for :		
	(Increase)/Decrease in Other non-current assets	-	1,324
	(Increase)/Decrease in Inventories	12,257	10,015
	(Increase)/Decrease in Current Tax Assets (net)	8,163	6,490
	(Increase)/Decrease in Other current assets	(757)	(2,376)
	Increase/(Decrease) in Trade payables	7,079	(6,666)
	Increase/(Decrease) in Other-current Liabilities	(46,055)	(40,214)
	Increase/(Decrease) in Provisions-Current	1,660	1,451
	Cash generated from Operations	3,89,889	3,04,506
	Direct Taxes Paid	(73,438)	(46,594)
	Net Cash flow from Operating activities	(A) 3,16,451	2,57,912
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(269)	(99)
	Placement of fixed deposits with Bank*	(3,56,443)	(2,26,306)
	Interest received on Loans and Fixed Deposits with Banks	12,251	4,205
	Realization of Loans given	399	547
	Net cash used in Investing activities	(B) (3,44,062)	(2,21,653)
C	CASH FLOW FROM FINANCING ACTIVITIES		
	(Repayment) of Borrowings	-	(17,915)
	Net cash from / (used in) financing activities	(C) -	(17,915)
	Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(27,611)	18,344
	Add: Cash and Cash Equivalents at the beginning of the year	27,785	9,441
	Cash and Cash Equivalents at the end of the year	174	27,785
	Cash and Cash Equivalents Comprises;		
	Cash on Hand	11 26	4
	Cheques on Hand	11 -	23,385
	Balances with Banks in Current Accounts	11 148	4,396
	Supplementary Information		
	Fixed Deposits with bank includes		
	Deposits offered as Security to a Local Authority for		
	Performance obligations	12 42,480	-
	Deposits offered as Security to Forest Department	8 6	-

* Represents Fixed Deposits with Banks having original maturity of more than 3 months not considered as cash & cash equivalent

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

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

As per our Report of even date attached

For SANMARK & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(S.K. Bansal)

Partner

FRN : 003343N, M.No. : 082242

For and on behalf of the Board of Directors

Sd/-

(Shyam Sunder Madan)

Director

(DIN: 02427885)

Sd/-

Sd/-

(Sanjay Garg)

Director

(DIN: 09539286)

Sd/

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL*

(Rs. in '000)

CURRENT REPORTING PERIOD (AS AT 31ST MARCH, 2023)	
Particulars	Amount
Balance at the beginning of the current reporting period	39,000
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the current year	-
Balance at the end of the current reporting period	39,000

PREVIOUS REPORTING PERIOD (AS AT 31ST MARCH, 2022)	
Particulars	Amount
Balance at the beginning of the previous reporting period	39,000
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the previous reporting period	-
Changes in equity share capital during the previous year	-
Balance at the end of the previous reporting period	39,000

B. OTHER EQUITY#

CURRENT REPORTING PERIOD (AS AT 31ST MARCH, 2023)

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the current reporting period	1,67,070	10,975	(3,01,566)	(1,23,521)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-	-
Total Comprehensive Income for the current year	-	-	3,48,470	3,48,470
Dividend	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Any Other Changes	-	-	-	-

Place : Faridabad
Date : 22.05.2023
UDIN: 23082242BGZGSQ5973

(Ankit Garg)
Chief Financial Officer

(Anuradha Sharma)
Company Secretary

Sd/-
(Bhuwan Chaturvedi)
Chief Executive Officer

SWADESHI POLYTEX LIMITED

Balance at the end of the current reporting period	1,67,070	10,975	46,904	2,24,949
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* For further details of Other Equity refer Note No. 17

SWADESHI POLYTEX LIMITED

PREVIOUS REPORTING PERIOD (AS AT 31ST MARCH, 2022)

(Rs. in '000)

Particulars	Reserve and Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the previous reporting period	1,67,070	10,975	(5,56,819)	(3,78,774)
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	-
Total Comprehensive Income for the previous year	-	-	2,55,253	2,55,253
Dividend	-	-	-	-
Transfer to Retained Earnings	-	-	-	-
Any Other Changes	-	-	-	-
Balance at the end of the previous reporting period	1,67,070	10,975	(3,01,566)	(1,23,521)

For further details of Other Equity refer Note No. 18

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

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

Place : Faridabad
Date : 22.05.2023

For and on behalf of the Board of Directors

Sd/-
(Shyam Sunder Madan)
Director
(DIN: 02427885)

Sd/-
(Ankit Garg)
Chief Financial Officer

Sd/-
(Sanjay Garg)
Director
(DIN: 09539286)

Sd/
(Anuradha Sharma)
Company Secretary

Sd/-
(Bhuwan Chaturvedi)
Chief Executive Officer

1 CORPORATE & GENERAL INFORMATION

Swadeshi polytex Limited is a listed company having CIN: L25209UP1970PLC003320 and engaged in carrying the business of transacting in, owning, purchasing, selling, leasing, sub-leasing, letting, sub-letting, renting and developing and other related activity of any type of real estate including land, plot, buildings, factories, warehouses, infrastructures whether residential, commercial, agricultural, industrial, rural, urban or otherwise that may belong to company or to any other person or persons of whatever nature and to deal in real estate, land, immovable properties and other related assets of any description or nature as owners, syndicators, developers, advisors, service providers, brokers, agents and any other capacity and to do all such activities related to such business having its registered office at A-1, Sector - 17, New Kavi Nagar Industrial Area, Ghaziabad (U.P).

The financial statements for the year ended 31st March, 2023 were approved for issue by the Board of Directors in their meeting held on 22-05-2023.

2 BASIS OF PREPARATION AND PRESENTATION

(a) Basis of Preparation

These financial statements are prepared on going concern basis under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. These financial statements comply with the provisions of the Companies Act, 2013 (the Act), guidelines issued by the Securities and Exchange Board of India (SEBI) and accounting principles generally accepted in India.

(b) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(c) Functional and presentation currency

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all financial values are rounded to the nearest thousand, except when otherwise indicated.

(d) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

(i) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

- (ii) A liability is current when:
 - It is expected to be settled in normal operating cycle;
 - It is held primarily for the purpose of trading;
 - It is due to be settled within twelve months after the reporting period; or
 - There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.
 - All other liabilities are classified as non-current.
- (iii) Deferred tax assets/liabilities are classified as non-current.
- (iv) The Company recognizes twelve months period as its operating cycle.

3 USE OF ESTIMATES

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

4 SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

4.1 Property, Plant & Equipment and Depreciation

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.
- (c) Depreciation on all items comprised in Property, Plant and Equipment is being provided on Straight Line Method.
- (d) Based on the technical experts assessment of useful life, certain items of property plant and equipment as detailed below are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

- (e) Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income' or 'Other Expenses' as the case may be.
- (f) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

4.2 Intangible Assets and Amortization

- (a) Software costs are included in the balance sheet as intangible assets when it is probable that associated future economic benefits would flow to the Company. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on it are expensed in the statement of profit and loss as and when incurred.
- (b) Based on the technical experts' assessment of useful life these are amortized over a period of six years. The amortization period & the amortization method for an Intangible Asset with a finite useful life are reviewed atleast at the end of each reporting period.

4.3 Impairment of Assets

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of fair value less costs of disposal and its value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs . If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.
- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

4.4 Revenue Recognition

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

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

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

- (a) Revenue from transfer of rights in leasehold land is recognized when the company receives full payment from buyer and there is relinquishment of right in favour of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to

measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists. Interest on refund claims of Sales Tax, Excise Duty and Others is accounted for as and when determined by the Authorities concerned and the same is received by the Company.

- (c) Revenue is recognized when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity. Revenue excludes Goods and Service Tax (GST) as applicable.

4.5 Inventories

Valuation of stocks is done as mentioned below:

Leasehold Plot Rights At the lower of Cost and net realizable value

Cost of Leasehold Land is determined after including the proportionate expenditure incurred on the development thereof. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make sales.

4.6 Taxation

(a) Current Tax

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

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

Current income taxes are recognized under "income tax payable" net of payments on account, or under "income 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.

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

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

4.7 Refunds of Taxes and Duties

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

4.8 Provisions, Contingent Liabilities and Contingent Assets

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

- (a) Provisions are made when (a) the Company has a present obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- (b) Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are not recognized. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, and is recognized as an asset. Information on contingent liabilities is disclosed in the notes to the financial statement. A contingent asset is disclosed where an inflow of economic benefits is probable.

4.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contract such as foreign currency exchange forward contracts.

A Financial Assets

(a) Initial recognition and measurement

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

(b) Subsequent Measurement : Non-derivative financial instruments

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

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

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

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

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

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

(c) Other Equity Investments

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

(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.

B Financial liabilities**(a) Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

(b) Subsequent Measurement : Non-derivative financial instruments

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

(c) Offsetting of Financial instruments

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

C Derecognition of financial instruments

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

4.10 Borrowing Costs

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

4.11 Leases

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

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

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

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

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

4.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and cheques/drafts on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank, short-term highly liquid fixed deposits with bank with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.13 Contract Liabilities

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

4.14 Cash Flow Statement

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

4.15 Earning Per Share

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

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

4.16 Segment Reporting

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

4.17 Fair Value Measurement

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

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

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

SWADESHI POLYTEX LIMITED

5. Property, Plant and Equipment

(Rs. in '000)

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2023 are as follows:

Particulars	Building	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2022	93	766	516	494	1,869
Additions	-	8	-	261	269
Deletions	-	-	-	-	-
Gross carrying value as at March 31, 2023	93	774	516	755	2,138
Accumulated depreciation as at April 1, 2022	20	569	398	406	1,393
Depreciation for the year	2	42	-	61	105
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as at March 31, 2023	22	611	398	467	1,498
Net Carrying value as at March 31, 2023	71	163	118	288	640

The changes in the carrying value of property, plant and equipment for the year ended 31st March, 2022 were as follows:

Particulars	Building	Plant & Machinery	Furniture & Fixtures	Computer	Total
Gross carrying value as at April 1, 2021	93	667	516	494	1,770
Additions	-	99	-	-	99
Deletions	-	-	-	-	-
Gross carrying value as at March 31, 2022	93	766	516	494	1,869
Accumulated depreciation as at April 1, 2021	18	524	398	362	1,302
Depreciation for the year	2	45	-	44	91
Accumulated depreciation on deletions	-	-	-	-	-
Accumulated depreciation as at March 31, 2022	20	569	398	406	1,393
Net Carrying value as at March 31, 2022	73	197	118	88	476

6. Intangible Assets
(Rs. in '000)

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2023 are as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2022	354	354
Additions	-	-
Deletions	-	-
Gross carrying value as at March 31, 2023	354	354
Accumulated depreciation as at April 1, 2022	134	134
depreciation for the year	56	56
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2023	190	190
Net Carrying value as at March 31, 2023	164	164

The changes in the carrying value of Intangible Assets for the year ended 31st March, 2022 were as follows:

Particulars	Softwares	Total
Gross carrying value as at April 1, 2021	354	354
Additions	-	-
Deletions	-	-
Gross carrying value as at March 31, 2022	354	354
Accumulated depreciation as at April 1, 2021	77	77
depreciation for the year	57	57
Accumulated depreciation on deletions	-	-
Accumulated depreciation as at March 31, 2022	134	134
Net Carrying value as at March 31, 2022	220	220

7. Loans (Non-Current)
(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Loan to a Related Party*	3,768	4,203
Total	3,768	4,203

*Refer Note 37.3.1 for details of Loan.

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8. Other Non-Current Assets

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Unsecured Security deposit considered good*	20	20
Fixed Deposit with Bank (Maturity more than 12 months)**	1,18,005	-
Total	1,18,025	20

*At amortized cost.

** Includes Rs. Six thousands (PY NIL) offered as security to Forest Department

9. Deferred Tax Assets (Net)

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets due to		
Carried forward losses	-	10,142
	-	10,142
Deferred Tax Liability due to		
Depreciation	57	60
	57	60
MAT Credit	-	-
Deferred Tax Assets/(Liabilities) net	(57)	10,082

9.1. The movement on the deferred tax account is as follows:

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
At the start of the year	10,082	47,279
Credit/(Charge) during the year	(10,139)	(28,245)
MAT Credit	-	(8,952)
Total Credit/(Charge) to Statement of Profit and Loss	(10,139)	(37,197)
At the end of the year	(57)	10,082

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9.2. Amount of Income Tax recognised in the Statement of Profit and Loss (Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax - Continued Operations		
Current year	73,534	46,253
Deferred Tax	10,139	37,197
Earlier Years	(12)	94
	83,661	83,544
Current tax - Discontinued Operations		
Current year	(84)	247
	(84)	247
Total	83,577	83,791

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

Particulars	As at March 31, 2023	As at March 31, 2022
Profit before tax	4,32,047	3,39,044
Average Applicable Tax Rate	19.344%	24.714%
Income tax amount	83,577	83,791
Other Temporary difference	-	-
Other Permanent Differences	-	-
Effective Income tax expense	83,577	83,791

10. Inventories (Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Leasehold Plot Rights*	37,782	50,039
Total	37,782	50,039

* Refer Note 4.5

11. Cash and Cash Equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with schedule banks:		
In Current Accounts	148	4,396
Cheques on hand	-	23,385
Cash on hand	26	4
Total	174	27,785

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12. Other bank balances

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit with Banks (Remaining maturity more than 3 months but less than 12 months)*	4,64,744	2,26,306
Total	4,64,744	2,26,306

* Includes Rs. 42,480 thousands (PY NIL) offered as security to a Local Authority for performance obligations.

13. Loans (Current)

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Loan to a Related Party*	435	399
Total	435	399

*Refer Note 37.3.1 for details of Loan.

14. Other financial assets-Current

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Interest accrued	12,924	509
Total	12,924	509

15. Current Tax Assets (net)

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, Considered Good)		
Income tax receivable (net of provisions)*	9,169	17,332
Total	9,169	17,332

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

16. Other Current Assets

(Rs. in '000)

Particulars	As at	
	March 31, 2023	March 31, 2022
(Unsecured, Considered Good)		
Excise and Custom refund receivable	-	2,380
Advance for CSR spending	3,111	-
Prepaid Expenses	44	18
Total	3,155	2,398

17. Equity Share Capital

(Rs. in '000)

Particulars	As at 31 st March 2023		As at 31 st March 2022	
	Number	Amount	Number	Amount
<u>Authorized</u>				
Equity Share of Rs. 1/- (P.Y. Rs. 1/-) each	22,50,00,000	2,25,000	22,50,00,000	2,25,000
9.5% Redeemable cumulative Preference Shares of Rs. 100/- each	2,50,000	25,000	2,50,000	25,000
		2,50,000		2,50,000
<u>Issued, Subscribed & Fully Paid up</u>				
Equity Shares of Rs 1/- (P.Y. Rs. 1/-) each fully paid up	3,90,00,000	39,000	3,90,00,000	39,000
		39,000		39,000

17.1 Reconciliation of share capital:

(Rs. in '000)

Particulars	As at 31 st March 2023		As at 31 st March 2022	
	Number	Amount	Number	Amount
Equity Shares at the beginning of the year	39000000	39,000	39000000	39,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	-	-	-	-
Equity Shares at the end of the year	39000000	39,000	39000000	39,000

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

The Company has issued only one class of equity shares having par face value of Rs 1/- per share. Each equity shareholder is eligible for one vote per fully paid share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders or in case of partly paid shares the paid-up amount.

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17.3 The detail of shareholders each holding more than 5% of the issued share capital:

Name of the Shareholder	As at 31 st March 2023		As at 31 st March 2022	
	No. of Shares held	% of holding	No. of Shares held	% of holding
National Textile Corporation Ltd.	13110000	33.62 %	13110000	33.62 %
MKJ Enterprises Ltd.	4875250	12.50 %	4875250	12.50 %
Selecto Pac Private Ltd.	3432500	8.80 %	3432500	8.80 %
Paharpur Cooling Towers Ltd.	5281530	13.54 %	5281530	13.54 %
Doypack Systems Pvt Ltd.	2775000	7.12 %	2775000	7.12 %

17.4 Disclosure of Shareholding of Promoters:

17.4.1 As at 31st March 2023

Class of Shares - Equity Share

Shares held by Promoters at the end of the year			% Change during the Year
Promoter Name	No. of Shares	% of Total Shares	
Late Mr. Mahendra Swarup	52500	0.13 %	0.00%
National Textile Corporation Ltd	13110000	33.62 %	0.00%
Selecto Pac Private Ltd.	3432500	8.80 %	0.00%
Paharpur Cooling Towers Ltd.	5281530	13.54 %	0.00%
Doypack Systems Pvt Ltd.	2775000	7.12 %	0.00%
Total	24651530	63.21 %	0.00 %

17.4.2 As at 31st March 2022

Class of Shares - Equity Share

Shares held by Promoters at the end of the year			% Change during the Year
Promoter Name	No. of Shares	% of Total Shares	
Late Mr. Mahendra Swarup	52500	0.13 %	0.00%
National Textile Corporation Ltd	13110000	33.62 %	0.00%
Selecto Pac Private Ltd.	3432500	8.80 %	0.00%
Paharpur Cooling Towers Ltd.	5281530	13.54 %	0.00%
Doypack Systems Pvt Ltd.	2775000	7.12 %	0.00%
Total	24651530	63.21 %	0.00 %

18. Other Equity

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve		
Opening Balance	1,67,070	1,67,070
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	1,67,070	1,67,070
Capital Redemption Reserve		
Opening Balance	10,975	10,975
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	10,975	10,975
Retained Earnings		
As per last Balance Sheet	(3,01,566)	(5,56,819)
Add: Profit / (Loss) for the year	3,48,470	2,55,253
	46,904	(3,01,566)
	2,24,949	(1,23,521)

19. Other financial liabilities-Non current

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Other Payable*	21,642	21,642
Total	21,642	21,642

*Refer Note No. 31.2

20. Trade Payables

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding dues of micro and small enterprises	1,373	775
Total Outstanding dues of other than micro and small enterprises	9,801	3,320
Total	11,174	4,095

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20.1	Ageing Schedule of Trade Payable is as below					
20.1.1	As at 31st March, 2023					(Rs. in '000)
	Particulars	Outstanding for following periods from due date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	Undisputed dues - MSME	1,373	-	-	-	1,373
	Undisputed dues - Others	9,714	6	81	-	9,801
	Disputed dues - MSME	-	-	-	-	-
	Disputed dues - Others	-	-	-	-	-
20.1.2	As at 31st March, 2021					(Rs. in '000)
	Particulars	Outstanding for following periods from due date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	Undisputed dues - MSME	775	-	-	-	775
	Undisputed dues - Others	2,634	150	-	536	3,320
	Disputed dues - MSME	-	-	-	-	-
	Disputed dues - Others	-	-	-	-	-

21. Other Financial Liabilities

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention Money Payable	10	10
Total	10	10

22. Other Current liabilities

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Contract Liabilities (Amount received from customers)*	3,50,641	3,96,900
Statutory Dues Payable	396	192
Total	3,51,037	3,97,092

*Refer Note 4.13

23. Provisions

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Others		
Provision for CSR Expenditure*	3,111	1,451
Total	3,111	1,451

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23.1 *Details of Provisions

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,451	-
Addition during the year	3,111	1,451
Utilized during the year	1,451	-
Reversed during the year	-	-
Balance at the end of the year	3,111	1,451

24. Revenue from Operations

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from sale of leasehold plot rights	4,43,356	3,62,280
Total	4,43,356	3,62,280

25. Other Income

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Interest Income	24,666	4,710
	24,666	4,710

26. Changes in inventories

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Stock		
Leasehold Plot Rights	50,039	60,054
	50,039	60,054
Closing Stock		
Leasehold Plot Rights	37,782	50,039
	37,782	50,039
(Increase) / Decrease in inventories	12,257	10,015

27. Depreciation and Amortisation Expenses

(Rs. in '000)

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation of property, plant and equipment	105	91
Amortisation of intangible assets	56	57
	161	148

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28. Other Expenses

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Legal & Professional Expenses	11,679	12,495
Conveyance & Travelling Expense	3,765	985
Corporate Social Responsibility Expenditure	3,111	1,451
Fees to Stock Exchange	354	354
Power & Fuel	467	391
Repair Others	138	107
Building Repairs	18	-
Business Promotion	322	25
Rates & Taxes	353	529
Directors' Sitting Fees	580	730
Payment To Auditors (Refer Note 28.1)	767	649
Communication Expenses	114	287
Advertisement	97	48
Printing & Stationary	101	39
Other Expenses	1,359	673
	23,225	18,763

28.1 Payment to Auditors

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Audit Fee	413	295
Tax Audit Fee	177	118
Other Matters	177	236
	767	649

29. Profit / (Loss) from discontinued operations

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Income from discontinued Operations		
Refund from Sales Tax / Custom and Excise	-	2,380
	-	2,380
Expenses related to discontinued Operations		
Professional Fee Paid	332	300
Sales Tax Paid	-	1,100
	332	1,400
	(332)	980

29.1 Cash flows from discontinued operations

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net Cash inflow / (outflow) from Operating activities	(332)	980
Net Cash inflow / (outflow) from Investing activities	-	-
Net Cash inflow / (outflow) from Financing activities	-	-
Net Cash inflow from discontinued operations	(332)	980

30. Earning per Share - Continued Business

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit / (Loss) attributable to Equity Shareholders (in Rs. '000)	3,48,718	2,54,520
Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares)	3,90,00,000	3,90,00,000
Earning per Shares - Basic & Diluted (in Rs.)	8.94	6.53

30.1 Earning per Share - Discontinued Business

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Profit / (Loss) attributable to Equity Shareholders (in Rs. '000)	(248)	733
Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares)	3,90,00,000	3,90,00,000
Earning per Shares - Basic & Diluted (in Rs.)	(0.01)	0.02

31. Discontinuing Operations

In view of the Economic/Financial non-viability and on-going labor problems etc., the Company had discontinued its operations of manufacturing of Polyester Fibers and Chips in 1998. In earlier years the company had disposed off all assets related to discontinued business, however disputed financial liabilities are still pending as per details given below.

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

Particulars	As at March 31, 2023	As at March 31, 2022
Total Assets		
Non-current asset		
Statutory dues deposited under Protest	-	-
Total Liabilities		
Other financial liabilities-Non current		
Other financial liabilities	21,642	21,642
Net Assets / (Liabilities)	(21,642)	(21,642)

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31.2 Other payable, Note 19, includes alleged dues being contested before the Honourable Jurisdictional High Court at Rs. 21642 Thousand (P.Y. Rs. 21642 Thousand). Hence it has not been fair valued.

32. Based on information available with the Company the amounts due to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is as under:

(Rs. in '000)

Particulars	Year Ended 31-03-2023	Year Ended 31-03-2022
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-

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

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

Particulars	Year Ended 31-03-2023	Year Ended 31-03-2022
(a) PF Cases pending at various forums	5,895	5,895
(b) Labor Matters relating settlement pending at various forums	4,742	4,742
(c) Custom Matters	1,711	1,711
(d) Excise Matters being refund claim and Interest thereon	32,360	32,360
(e) Income Tax Matters	2,217	2,217
(f) FEMA Matters	12,600	12,600
(g) Legal cases against company u/s 138 of Negotiable Instrument Act	9,246	9,246

Notes:

- Interest and penalty, if any, is not computable at this point of time hence not considered in the above statement of contingent liability.
- The Company has received a notice from Commissioner of Customs (Export-1), Mumbai relating to submission of Export Obligation Discharge Certificate for fulfilment of export obligations during export obligation period prior to the year 2000. The Company has filed a writ petition against the said notice before Hon'ble High Court and the Management believes that no material liability will arise in this matter.

34. The Company had incurred expenses on developing the Plots as per the approved plan of Uttar Pradesh State Industrial Development Authority (UPSIDA) which had been allocated proportionately on the saleable area and unallocated portion has been charged to Pranjal Vyapar Private Limited as agreed.

35. Corporate Social Responsibilities (CSR) :

As per section 135 of the Companies Act, 2013, a CSR Committee has been formed to assist the Board of Directors to formulate the CSR Policy and review the implementation and progress of

the same. The Company is required to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in accordance with relevant provisions of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

36.1 Details of CSR Activities:

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Amount required to be spent by the company during the year	3,111	1,451
Amount of expenditure incurred,	-	-
Shortfall at the end of the year,	3,111	1,451
Total of previous years shortfall,	-	-
Reason for shortfall	Contribution made to Delhi Sikh Gurudwara Management Committee and Army Wives Association for CSR were not utilized by them upto the balance sheet date.	Cash flow problems till Dec 2021. The Management decided to deposit the requisite money in funds specified in Schedule-VII
Nature of CSR activities	To deposit in funds specified in Schedule-VII of Companies Act, 2013	To deposit in funds specified in Schedule-VII of Companies Act, 2013
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NIL	NIL
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Kindly refer Note 23.1	Kindly refer Note 23.1

36. In the opinion of the Board and to the best of their knowledge and belief the value on realization of all assets other than property, plant and equipment, intangible assets and non-current investments, in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and that provision for all know liabilities has been made.

37. Related Party Disclosure

37.1 List of Related Parties

Key Management Personnel of Reporting Entity:

Name	Designation
Mr. Bhuwan Chaturvedi	Chief Executive Officer
Mr. Ankit Garg from 09.02.2021	Chief Financial Officer
Ms. Anuradha Sharma from 19.05.2022	Company Secretary

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Name	Designation
Mr. Sanjay Garg from 19-05-2022	Director
Mr. Hartaj Sewa Singh	Director
Mr. Gaurav Swarup	Director
Mr. Niranjan Kumar Gupta	Director
Mr. Naveen Aggarwal	Director
Mr. Shyam Sunder Madan	Director
Mr. Bipin Behari Mehrotra till 20.02.2022	Director
Ms. Purti Gupta	Director
Mr. Pankaj Agarwal w.e.f 19-05-2022	Director
Mr. Kanjirakkattu Gopalan Manoj Kumar	Director
Mr. Arun Kumar Singhania	Director
Mr. Ashutosh Gupta	Director
Ms. Deepika Sharma w.e.f 16-11-2022	Director
Ms. Amisha Srivastava Gupt from 28.01.2022 to 16.11.2022	Director

37.1.1 Associates of Reporting Entity:

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

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

37.2 Following transactions were carried out during the year ended March 31, 2023 with related parties in the ordinary course of business:

37.2.1 Transactions with Key Management Personnel:

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Remuneration paid to Ms. Anuradha Sharma	365	-
Remuneration paid to Ms. Surbhi Basantani	-	420
Remuneration paid to Mr. Ankit Garg	616	600
Remuneration paid to Mr. Bhuwan Chaturvedi*	-	-
Interest charged from Mr. Bhuwan Chaturvedi	401	453
Sitting Fees paid to Mr. Naveen Aggarwal	150	240
Sitting Fees paid to Mr. N.K. Gupta	170	190
Sitting Fees paid to Mr. S.S. Madan	140	160
Retainership Charges Paid to Mr. Bipin Behari Mehrotra**	-	750
Sitting Fees paid to Ms. Purti Marwaha	120	140

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

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

37.2.2 Transactions with Associates:

(Rs. in '000)

Nature of Transactions	Year Ended March 31, 2023	Year Ended March 31, 2022
Transactions with Paharpur Cooling Towers Ltd.		
Reimbursement for various expenses	5,312	5,312

37.3 Following were the balance outstanding at March 31, 2023 with related parties:

37.3.1 Balance outstanding from Key Management Personnel:

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
In respect of Mr. Bhuwan Chaturvedi		
Closing balance of loan given		
Non-Current	3,768	4,203
Current	435	399
Total	4,203	4,602

According to revised terms vide resolution of NRC dated 09-02-2021 the loan is recoverable in Quarterly instalments commencing from March - 2022 carrying Interest @ 9% P.A.

37.3.2 Balance outstanding with Associates:

(Rs. in '000)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
In respect of National Textile Corporation Ltd.		
Unsecured Loan Repaid during the year	-	17,915
Unsecured Loan taken and outstanding	-	-

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

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

40. Information regarding Goods Traded

40.1 Item Description

: Leasehold Plot Rights

40.1 Particulars	Year Ended 31-03-2023		Year Ended 31-03-2022	
	Qty (in Sqm)	Amount	Qty (in Sqm)	Amount
Opening Balance*	1,18,545	50,039	1,44,989	60,054
Purchase	-	-	-	-
Sales	32,362	4,43,356	26,444	3,62,280
Closing Balance*	86,183	37,782	1,18,545	50,039

* Excluding utility area of 13,577.53 Sqm.

41. 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

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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.

42. Risk Management Framework

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

42.1 Financial Risk

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

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

42.2 Liquidity Risk

"Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company has received advance from customers ""Other Current Liabilities-Note 21 amounting to Rs. 3510 Lakh (P.Y. Rs. 3969 Lakh) which is adjustable against future sales proceeds in accordance with terms of addendum dated 24.02.2022 with the customer. The company does not foresee any liquidity problem in this regard.

The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

42.3 Maturity profile of financial Liabilities

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

Particular	Less than 1 Year	1 to 5 Years	More than 5 years	Total
March 31, 2023				
Trade payables	11,087	87	-	11,174
Other financial liabilities	10	-	21,642	21,652
	11,097	87	21,642	32,826

Particular	Less than 1 Year	1 to 5 Years	More than 5 years	Total
March 31, 2022				-
Trade payables	3,409	686	-	4,095
Other financial liabilities	10	-	21,642	21,652
	3,419	686	21,642	25,747

42.4 Market Risk

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

Company has no international operations, neither having any investments nor any derivatives. However it manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

42.5 Interest rate risk

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

Particulars	As At March 31, 2023		As At March 31, 2022	
	Fixed Rate Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Floating Rate Borrowings
Inter Corporate Deposits	-	-	-	-
Interest Rate Sensitivities for Floating Rate Borrowings:				
Since there are no borrowings availed by the company on floating rate, therefore there is no requirement for calculating the interest rate sensitivity.				

42.6 Foreign Exchange Risk

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

42.7 Equity Price Risk

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

42.8 Credit risk

"Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad

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debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

During the year Company is not having any Trade Receivables however it has a contractual arrangement with a customer against which it receives the advances for future commitments. Company has a periodic system of reviewing the performance of contractual obligations which addresses the risk of non performance.

42.9 Capital Management

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

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

42.9.1	Particular	As at March 31, 2023	As at March 31, 2022
	Short term Borrowings	-	-
	Net debts (A)	-	-
	Capital components		
	Share capital	39,000	39,000
	Reserves and surplus	2,24,949	(1,23,521)
	Total Equity (B)	2,63,949	(84,521)
	Gearing ratio (A/B) (%)	0%	0%

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

43 Fair value measurement

43.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under

current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

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

43.2 Fair value hierarchy

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

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

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

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

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

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

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

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

43.3 Categories of financial instruments and fair value thereof:

(Rs. in '000)

Particulars	March 31, 2023		March 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	174	174	27,785	27,785
Other bank balances	4,64,744	4,64,744	2,26,306	2,26,306
Loans	4,203	4,203	4,602	4,602
Other Financial assets	12,924	12,924	509	509
Other Non Current Assets	1,18,025	1,18,025	20	20
Total	6,00,070	6,00,070	2,59,222	2,59,222
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	11,174	11,174	4,095	4,095
Other financial liabilities *	21,652	21,652	21,652	21,652
Total	32,826	32,826	25,747	25,747

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

* Includes alleged dues being contested before the Honourable Jurisdictional High Court at Rs. 21642 Thousand (P.Y. Rs. 21642 Thousand). Hence it has not been fair valued.

43.4 The disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2023 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	174	-	174	-
Other bank balances	4,64,744	-	4,64,744	-
Loans	4,203	-	-	4,203
Other Financial assets	12,924	-	-	12,924
Other Non Current Assets	1,18,025	-	1,18,005	20
Total	6,00,070	-	5,82,923	17,147
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	11,174	-	-	11,174
Other financial liabilities *	21,652	-	-	21,652
Total	32,826	-	-	32,826

43.5 The disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2022 (Rs. in '000)

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
A. Financial Assets -Measured at Amortized Cost				
Cash and cash equivalents	27,785	-	27,785	-
Other bank balances	2,26,306	-	2,26,306	-
Loans	4,602	-	-	4,602

Particulars	Total (Carrying Value)	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Other Financial assets	509	-	-	509
Other Non Current Assets	20	-	-	20
Total	2,59,222	-	2,54,091	5,131
B. Financial Liabilities- Measured at Amortized Cost				
Trade Payables	4,095	-	-	4,095
Other financial liabilities	21,652	-	-	21,652
Borrowings	25,747	-	-	25,747

44. Recent Accounting Pronouncements

Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standards) Amendment Rules, 2023 vide Notification dated 31st March 2023. Following major amendments to Ind AS are applicable from 1 April 2023.

44.1 Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

44.2 Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

44.3 Ind AS12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023.

The Impact, if any, of above changes will be incorporated in the financial statements for the year ended 31st March, 2024.

45. Additional Regulatory Information (to the extent applicable)

45.1 Title Deeds in respect of Flat owned by the Company are held by it in its own name.

45.2 There is no revaluation of any of the items of Property, Plant & Equipments during the year.

45.3 The Company does not hold any benami property and accordingly no proceeding has been initiated or pending against it for holding any benami property.

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45.4 As per information available with the Company, it had no dealings with any company struck off u/s 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45.5 Other than loan given in the normal and ordinary course of business, the Company has not advanced or loaned or invested funds (either from borrowed funds or any other sources or kind of funds) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, (whether recorded in writing or otherwise), that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45.6 The Company has not received any funds from any persons or entities, including foreign entities ("Funding Party"), with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45.7 The Company has not dealt in or invested in any crypto currency or virtual currency.

45.8 The Company does not have any transaction which is not recorded in the Books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act (such as search or survey or any other relevant provisions of the Income Tax Act, 1961. Further, there were no previously unrecorded income and related assets.

46. **Financial Ratios as per latest amendment to Schedule III to the Companies Act, 2013 are as below:**

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for Variance / REMARKS
Current Ratio (in times)	Current Assets	Current Liabilities	1.45	0.81	79.01%	Cash flow on account of increased sales in the current year as compared to proceeding year.
Debt-Equity Ratio (in times)	Total Debts	Share holders Equity	-	-	-	Not Applicable since no Debt in current year and preceding year.
Debt-Service Coverage Ratio	Earning available for Debt Service	Debt Service	-	18.93	-100.00%	No debts service in the current year
Return on Equity	Net Profit after tax (-) Preference Dividend, if any	Average Net Worth	388.42%	-	-	Not applicable since Negative Net Worth in preceding year
Inventory Turnover Ratio (in times)	Sales	Average Inventory	10.10	6.58	53.50%	Increased sales in current year as compared to preceding year
Trade Receivable Turnover Ratio	Net Credit Sale	Average Accounts receivable	-	-	-	Not applicable since the Company has no trade receivable. Refer Policy for Revenue Recognition- Note No. 4.4.

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Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reasons for Variance / REMARKS
Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade Payable	-	-	-	- Not applicable since the Company had not purchased any inventory items in the current year as well as preceding year.
Net Capital Turnover Ratio	Net Sales	Working Capital [Current Assets - Current Liabilities]	2.72	-	-	- Not Applicable since negative working capital in the preceding year
Net Profit Ratio (in %)	Net Profit after Tax	Net Sales	78.60%	70.46%	11.55%	-
Return on Capital Employed	Earning before Interest and Tax (EBIT)	Capital Employed [Tangible Net Worth + Total Debt + Deferred tax Liability]	1.64	-	-	- Not Applicable since Company has Negative Capital Employed in the preceding year
Return on Investment	Interest Income	Cost of Investment				
a. For Loans			9.11%	9.29%	-1.94%	
b. For Bank FD			5.79%	3.40%	70.36%	Due to Fluctuation in Period of deposit and applicable Interest rate.

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SWADESHI POLYTEX LIMITED
CIN: L25209UP1970PLC003320
Regd. Office : New Kavi Nagar,
Industrial Area Ghaziabad - 201002 (UP)