



**48th
Annual Report
2017-2018**

SWADESHI POLYTEX LIMITED

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

Mr. Gaurav Swarup	Chairman
Mr. Hartaj Sewa Singh	Vice Chairman
Dr. Anil Gupta	Director
Mr. Rakesh Kumar Sinha	Director
Mr. S. B. Singh	Director
Mr. B. Mehrotra	Director
Mr. S. S. Madan	Independent Director
Mr. N. K. Gupta	Independent Director
Mr. Naveen Aggrawal	Independent Director
Mr. Y. J. Dastoor	Independent Director
Ms. Purti Marwaha	Independent Director

KEY MANAGERIAL PERSONNELS

Mr. Bhuwan Chaturvedi	Chief Executive Officer
Ms. Stuti Thukral	Company Secretary
Mr. Promod Pandey	Chief Financial Officer

REGISTERED OFFICE**CIN:** L25209UP1970PLC003320

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

REGISTRAR AND SHARE TRANSFER AGENT**M/s RCMC Share Registry Private Limited**

B-25/1, Okhla Industrial Area,

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

Phone : 011-26387320/21/23

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SWADESHI POLYTEX LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 48th Annual General Meeting of the Members of Swadeshi Polytex Limited will be held on Tuesday, 25th September, 2018 at 11:30 A.M. at the Registered Office of the Company at A-1, Sector 17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Gaurav Swarup having Director's Identification Number 00374298, 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 Shri Bipin Behari Mehrotra having Director's Identification Number 03279399, 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 Dr. Anil Gupta having Director's Identification Number 07319209, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.

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

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

Sd/-
(Bipin Behari Mehrotra)
Director
(DIN: 03279399)

Place : New Delhi
Dated : 13th August, 2018

NOTES: -

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

The Admission Slip cum E-voting Advice is appended to the Annual Report 2017-18. The Proxy Form is also annexed towards the end of the Annual Report.

3. Pursuant to the provisions of section 105 of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing the proxy, as per the format included in the Annual Report, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less/after than **FORTY-EIGHT HOURS** before the commencement of the meeting.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Register of Members and Transfer Books of the Company will be closed from 18th September, 2018 to 25th September, 2018 both days inclusive.
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically recorded in the Company's records, which will help the Company and the Company's Registrars and Transfer Agent M/s RCMC Share Registry Private Limited (RCMC), B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RCMC directly.
9. Members holding shares in physical form are requested to convert their holding to dematerialized form because as per the notification of Securities and Exchange Board of India, dated 8th June, 2018, except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. 5th December, 2018. Members can contact the Company or RCMC for assistance in this regard.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s RCMC Share Registry Private Limited, B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, the details of such folios together

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with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.

11. Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
12. The Notice of the AGM along with the Annual Report 2017-18 and instructions for e-voting, Attendance slip and Proxy form is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that the Notice of the AGM and the Annual Report 2017-18 will be available on the Company's website www.splindia.co.in
13. Regulation 44(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, provides for the mandatory electronic voting facility to all the members of the Company to exercise their right to vote at the general meeting through electronic means. The Company in compliance of the provisions is providing the electronic voting facility to all the members at the cut off date for transacting the businesses at the Annual General Meeting by electronic means by following the e-voting process. The Complete details of the instructions for e-voting are annexed to this notice as additional attachment.

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

Sd/-
(**Shamsher Bahadur Singh**)

Director

(DIN: 03225016)

Sd/-
(**Bipin Behari Mehrotra**)

Director

(DIN: 03279399)

Place : New Delhi

Dated : 13th August, 2018

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOUSER REQUIRMENTS) REGULATION, 2015

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

Shri Gaurav Swarup, Shri Bipin Behari Mehrotra and Dr. Anil Gupta, Directors retire by rotation and, being eligible, offer for re-appointment at the up coming Annual General Meeting. A brief resume of the said Directors are given below:

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on Tuesday 25th September, 2018 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and disclosure requirements) Regulations 2015:

Name	Shri Gaurav Swarup	Shri Bipin Behari Mehrotra	Dr. Anil Gupta
Directors Identification Number (DIN)	00374298	03279399	07319209
Age	62	84	57

SWADESHI POLYTEX LIMITED

Name	Shri Gaurav Swarup	Shri Bipin Behari Mehrotra	Dr. Anil Gupta
Qualification	Master of Business Administration, Harvard University, USA (1980), Bachelor of Engineering (Mech), Jadavpur University, Calcutta (1978)	–B.Com and M.S.W. Specialization in Industrial Relations & Personnel Management.	B.e (Mech.) MBA (Finance) PhD
Expertise in Specific Area	Finance and General administration	Human Resource/ Administration	Engineering / Finance / Climate Change
Date of first Appointment on the Board of the Company	30/05/1988	26/08/2010	19/05/2017
Shareholding in Swadeshi Polytex Limited	350 shares	NIL	NIL
List of Directorship held in other companies (excluding foreign and private Companies)	<ol style="list-style-type: none"> 1) Graphite India Limited 2) Avadh Sugar & Energy Limited; 3) K S B Pumps Limited; 4) Industrial And Prudential Investment company Limited 5) Til Limited 6) Paharpur Cooling Towers Ltd 	NIL	<ol style="list-style-type: none"> 1) Aurangabad Textiles And Apparel Parks limited; 2) Apollo Design Apparel Parks Limited; 3) Goldmohur Design And Apparel Park Limited; 4) India United Textile Mill Limited; 5) New City Of Bombay Mfg. Mills Limited; 6) National Textile Corpn Limited
Membership/Chairmanship of Audit and stake holders relationship committees	NIL	NIL	NIL

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

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

Sd/-
(Bipin Behari Mehrotra)
Director
(DIN: 03279399)

Place : New Delhi
Dated : 13th August, 2018

SWADESHI POLYTEX LIMITED

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure to present 48th Annual Report and Financial Statements for the financial year ended March 31, 2018.

FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Year Ended on 31.03.2018	Year Ended on 31.03.2017
Total Income	622.35	768.34
Total Expenditure	607.76	559.43
Profit (Loss) before exceptional items and tax	14.59	208.91
Deferred Tax Assets /current tax/income tax provision	48.35	95.66
Profit (Loss) from continuing operation.	(33.76)	113.25
Profit/(Loss) from discontinuing operations	-	-
Profit (Loss) after tax	(33.76)	113.25

The Company has not recommended any dividend in the financial year 2017-18 due to losses in the company.

RESULTS OF OPERATION

There were no production activities during the year; the Company has not made any manufacturing profit during the year. The Company has entered into the Real Estate sector in the earlier years. The Company has earned revenue of Rs. 309.44 lakh from selling of lease plot rights of the Company during the year. Your directors are hopeful of achieving better results in the current financial year.

STATE OF COMPANY'S AFFAIRS

Gross revenues decreased to Rs. 622.35 lakh against Rs. 768.34 lakh in the previous year. Profit before taxation was Rs. 14.59 lakh against profit of Rs. 208.91 lakh in the previous year. The loss of the Company for the year under review after tax was Rs. 33.76 lakh as against profit of Rs. 113.25 lakh in the previous year.

EXTRACT OF ANNUAL RETURN

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

MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

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

NUMBER OF MEETINGS OF THE BOARD

During the year Five (05) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Sl. No.	Type of Meeting	No. of meetings	Date of Meeting	Directors attended the meeting
1	Board Meeting	2/2017	25.05.2017	1. Shri H.S. Singh 2. Shri P.C. Vaish 3. Shri S.B. Singh 4. Dr. Anil Gupta 5. Shri R. K. Sinha 6. Shri Naveen Aggarwal 7. Shri N.K. Gupta 8. Shri S.S. Madan 9. Ms. Perti Marwaha 10. Shri Y.J. Dastoor

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Sl. No.	Type of Meeting	No. of meetings	Date of Meeting	Directors attended the meeting
2	Board Meeting	3/2017	27.06.2017	1. Shri H.S. Singh 2. Shri P.C. Vaish 3. Dr. Anil Gupta 4. Shri S.B. Singh 5. Shri S.S. Madan 6. Ms. Perti Marwaha 7. Shri Y.J. Dastoor 8. Shri B.Mehrotra
3	Board Meeting	4/2017	10.08.2017	1. Shri H.S. Singh 2. Shri P.C. Vaish 3. Dr. Anil Gupta 4. Shri S.B. Singh 5. Shri R. K. Sinha 6. Shri N.K. Gupta 7. Shri Naveen Aggarwal 8. Shri S.S. Madan 9. Ms. Perti Marwaha 10. Shri Y.J. Dastoor 11. Shri B.Mehrotra
4	Board Meeting	5/2017	14.11.2017	1. Shri Gaurav Swarup 2. Shri H.S. Singh 3. Shri P.C. Vaish 4. Shri R. K. Sinha 5. Shri S.B. Singh 6. Shri Naveen Aggarwal 7. Shri N.K. Gupta 8. Shri Y.J. Dastoor 9. Shri S.S. Madan 10. Shri B.Mehrotra
5	Board Meeting	1/2018	09.02.2018	1. Shri H. S. Singh 2. Shri R. K. Sinha 3. Dr. Anil Gupta 4. Shri S.B. Singh 5. Shri. Srinivas Sarvepalli 6. Shri Naveen Aggarwal 7. Shri N.K. Gupta 8. Shri S.S. Madan 9. Shri B.Mehrotra 10. Ms. Perti Marwaha
6	Annual General Meeting for the FY 2016-17	47 th	28.09.2017	1. Shri H. S. Singh 2. Shri S.B. Singh 3. Shri B.Mehrotra 4. Shri Naveen Aggarwal 5. Shri Y.J. Dastoor 6. Shri S.S. Madan

COMPOSITION OF AUDIT COMMITTEE

The Company has formed the Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 consisting of the following members:

1. Mr. Naveen Agarwal : Chairman

SWADESHI POLYTEX LIMITED

2. Dr. Anil Gupta : Committee Member
3. Mr. N.K. Gupta : Committee Member

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

DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134 (3) (c) and Section 134 (5) (c) of the Companies Act, 2013, in the preparation of the annual accounts for the financial year ended 31st March, 2018 and state that:

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

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

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149 of the Companies Act, 2013 and regulations 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and were placed at the Board meeting held on 15th May, 2018.

RETIREMENT BY ROTATION

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

1. Shri Gaurav Swarup having Director's Identification Number 00374298;
2. Shri Bipin Behari Mehrotra having Director's Identification Number 03279399;
3. Dr. Anil Gupta having Director's Identification Number 07319209;

BOARD EVALUATION

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

CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year 2017-2018, following changes took place in the Board of Directors and Key Managerial Personnel of the company:

- i) Nomination of Mr. Alokendra Banerjee withdrawn from the Board of Directors w.e.f 19th May, 2017.
- ii) Dr. Anil Gupta appointed as Additional / Nominee Director of the Company w.e.f 19th May, 2017.
- iii) Ms. Sunita Gujjar resigned as Company Secretary w.e.f 20th November, 2017.
- iv) Ms. Lovely Kumari appointed as Company Secretary w.e.f 20th November, 2017.
- v) Nomination of Mr. P.C. Vaish withdrawn from the Board of Directors w.e.f 18th December, 2017.

- vi) Mr. Srinivas Sarvepalli appointed as Additional / Nominee Director of the Company w.e.f 18th December, 2017
- vii) Ms. Lovely Kumari resigned as Company Secretary w.e.f 15th March, 2018.
- viii) Ms. Stuti Thukral appointed as Company Secretary w.e.f 15th May, 2018.
- ix) Nomination of Mr. Srinivas Sarvepalli withdrawn from the Board of Directors w.e.f 31st May, 2018.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

a. STATUTORY AUDITORS:

The Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

b. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Baldev Singh Kashtwal of M/s. RSM & Co., a secretarial firm to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report is annexed herewith as "Annexure B". The Board has duly reviewed the Auditor's Report and noted that there was no adverse remark given by the Auditor in their report.

DETAILS OF LOAN/ GUARANTEES / INVESTMENTS MADE

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

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

During the year, the Company had not entered into any related party transactions.

DEPOSITS

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

MATERIAL CHANGES AND COMMITMENTS, IF ANY

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

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

In pursuance to section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, Company has taken 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 outgo during the year under review.

BUSINESS RISK MANAGEMENT:

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

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

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CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

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

SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company does not have any subsidiary, Joint venture or Associate Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

CORPORATE GOVERNANCE REPORT

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

INTERNAL FINANCIAL CONTROL SYSTEM

The Board has adopted an Internal Financial Control Policy to be followed by the Company for ensuring the orderly and efficient conducts of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.. The Company's Internal Control System is commensurate with its size, scale and complexities of the operations. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. The Audit Committee actively reviews and evaluates the internal financial control system periodically and suggests improvements to strengthen the same. The observations and comments of the Audit Committee are placed before the Board.

CODE OF CONDUCT

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

PARTICULARS OF EMPLOYEES

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

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

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

ACKNOWLEDGEMENT

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company and Staff for their continuous co-operation and assistance and further wish to place on record their appreciation towards all associates including Bankers, Suppliers and others who have reposed their confidence in the Company at all levels for their continuous co-operation and support.

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

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

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

Place : New Delhi
Dated : 13th August, 2018

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category -Wise- Shareholding

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

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Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
NRI Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bodies Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Any Other.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter(A)= [A(1)+A(2)]	2459403	5750	2465153	63.21	2459403	5750	2465153	63.21	Nil
(B)Public Shareholding									
(1) Institutions									
Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Central Govt	Nil	250	250	0.01	Nil	250	250	0.01	Nil
State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Venture capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Insurance Companies	825	425	1250	0.03	950	300	1250	0.03	Nil
Financial Institutions/ Banks	Nil	2125	2125	0.05	Nil	2125	2125	0.05	Nil
Foreign Venture Capital Funds									
Any Other (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total B(1)	825	2800	3625	0.09	950	2675	3625	0.09	Nil
(2)Non- Institutions									
a)Bodies Corporate	90455	504547	595002	15.26	90455	503147	593602	15.22	(0.04)
i)Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1Lakh	70957	743905	814862	20.89	82166	732180	814346	20.88	(0.01)
ii)Individual shareholders holding nominal share capital in excess of Rs. 1 lakhs.	14864	Nil	14864	0.38	14864	Nil	14864	0.38	Nil
c) Other Specify									
i) Clearing Members	Nil	Nil	Nil	0	Nil	Nil	Nil	0	Nil
ii)Non Residents	1784	4710	6494	0.17	2300	4710	7010	0.18	0.01
NBFC Registered with RBI	Nil	Nil	Nil	Nil	1400	Nil	1400	0.04	0.04
Sub Total (B) (2)	178060	1253162	1431222	36.70	191185	1240037	1431222	36.70	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	178885	1255962	1434847	36.79	192135	1242712	1434847	36.79	Nil
(C) C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	2638288	1261712	3900000	100	2651538	1248462	3900000	100	Nil

(ii) Shareholding of Promoters

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

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

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

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

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year	Additions, if any	Shareholding at the end of the year	% of total shareholding
1	M/s M K J Enterprises Ltd	487525	Nil	487525	12.5
2	Melvin Powel Vanaspati & Engg. Industries Ltd.	82425	Nil	82425	2.11
3	Prashant Kumar Bothra	14864	Nil	14864	0.38
4	Indra Kumar Bagri	8066	425	8491	0.22
5	V D Maniar Share And Stock Brokers Pvt. Ltd.	8005	Nil	8005	0.21
6	Yatin S Shah	5725	Nil	5725	0.15
7	Rajesh Chhabildas Kansara	5300	Nil	5300	0.14
8	Mr Dwarkadas Shrinivas Morarka	5000	Nil	5000	0.13
9	Mrs Jamuna Devi Jaipuria	5000	Nil	5000	0.13
10	M/S Liberty Silk Mills Pvt Ltd	5000	Nil	5000	0.13
	TOTAL	626910	425	627335	

SWADESHI POLYTEX LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS

(Rs. In Lakhs)

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

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits *	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,363.21	179.15	Nil	2,542.36
ii) Interest due but not paid	571.47	-	Nil	571.47
iii) Interest accrued but not due	5.21	-	Nil	5.21
Total (i+ii+iii)	2,939.89	179.15	Nil	3119.04
Change in Indebtedness during the financial year				
Addition	227.90	-	Nil	227.90
Reduction	-	-	Nil	-
Net Change Indebtedness	227.90	-	Nil	227.90
At the end of the financial year				
i) Principal Amount	2,363.21	179.15	Nil	2,542.36
ii) Interest due but not paid	798.97	-	Nil	798.97
iii) Interest accrued but not due	5.61	-	Nil	5.61
Total (i+ii+iii)	3,167.79	179.15	Nil	3,346.94

VI . REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other directors:

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name	Designation	Amount
1	Sitting Fees	Naveen Agarwal	Independent Director	2,50,000
2	Sitting Fees	N.K. Gupta	Independent Director	1,60,000
3	Sitting Fees	S.S. Madan	Independent Director	1,60,000
4	Sitting Fees	Y.J. Dastoor	Independent Director	1,40,000
5	Sitting Fees	Purti Marwaha	Independent Director	1,30,000
6	Retainership Charges	Bipin Behari Mehrotra	Non – Executive Director	2,80,000

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

Sl. No.	Name	Designation	Amount
1	Bhuwan Chaturvedi	CEO	41,89,000
2	Promod Pandey	CFO	6,00,000
3	Sunita Gujar	Company Secretary	1,54,000
4	Lovely Kumari	Company Secretary	47,000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018**

*[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 us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our 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 authorised 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, 2018 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, 2018 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 are not applicable to the Company during the Financial Year 2017-2018;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Financial Year 2017-2018);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Financial Year 2017-2018);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Financial Year 2017-2018);**
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Financial Year 2017-2018);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Financial Year 2017-2018);** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not applicable to the Company during the Financial Year 2017-2018)**; and

(vi) Indian Contract Act, 1872;

(vii) Indian Stamp Act, 1999;

(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 Listing Agreement entered into by the Company with the BSE Limited, Mumbai.

(iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc. mentioned above.

I 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.

I 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 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.

I 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.

I 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.

CS BALDEV SINGH KASHTWAL
PRACTISING COMPANY SECRETARY
FCS NO. 3616, C. P. NO. 3169

Place : Delhi

Dated : July 25, 2018

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.)

My Secretarial Audit Report for the financial year ended 31st March, 2018 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 and to ensure that the systems are adequate and operate effectively. 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 was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that audit evidence and information obtained from the Company's management and 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, happening of events, etc. 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.

**CS BALDEV SINGH KASHTWAL
PRACTISING COMPANY SECRETARY
FCS NO. 3616, C. P. NO. 3169**

Place : Delhi

Dated : July 25, 2018

MANAGEMENT DISCUSSION & ANALYSIS REPORT**ECONOMIC AND INDUSTRIAL REVIEW/ INDUSTRY STRUCTURE AND DEVELOPMENTS**

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

REAL ESTATE

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

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

OPPORTUNITIES, THREATS, RISK AND CONCERNS

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

With these change the real estate sector have realized that it is time now to revamp their existing business models if they want to remain in business at all.

As expected, with these initiatives, the loopholes will be addressed and sales would boost the real estate sector.

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

BUSINESS OUTLOOK AND OVERVIEW

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

MATERAIL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

The Human Resources (HR) function is instrumental in creating and developing human capital in alignment with the Company Objectives. Your Company currently has to build its human resources based on the finalization of the opportunities it will focus on in the near future. Industrial relations are been cordial as your Company does not have any work force with the cessation of production activities. The challenge will be to build a team of all employees, managers and workmen with the value of teamwork and belongingness. All the employees of the Company will be expected to work as one cohesive team devoted to a common goal of the Company.

SWADESHI POLYTEX LIMITED

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

INTERNAL FINANCIAL CONTROL

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

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

The Company has only one segment i.e. Real Estate. The Company's revenue from operations for the year increased to Rs.3.09 Crore for the financial year 2017-18, as compared to Rs. 2.03 crore in the previous year. The Company continued its focus on core business activity in the Industrial land. The key revenue streams for the Company include sale of lease plot land. The Company continues to maintain its conservative financial profile and funds its requirements largely through internal cash generation.

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITORS' REPORT

To
The Members of
Swadeshi Polytex Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of M/s. **Swadeshi Polytex Limited** ('the Company') which comprise the Balance Sheet as at 31st March, 2018, and 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 then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting our Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required

SWADESHI POLYTEX LIMITED

and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its loss (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 Ind AS Financial Statements.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued there under.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 30 to the Ind AS financial statements.
 - ii. We are explained that the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. We are explained that there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SPMR & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 007578N

Sd/-
M S LADHA
Partner
Membership No.: 088221

Place : Faridabad
Date : 15-05-2018
Camp: Ghaziabad

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Swadeshi Polytex Limited of even date)

We report that:

- i) In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) We are explained that the management has carried out the year end physical verification of majority of fixed assets. In our opinion, the frequency of physical verification is reasonable having regard to the size and nature of operations of the Company, According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the title deed of immovable property owned by the Company being Pushpak Bhawan at Ahmedabad are stated to be misplaced and the management is in the process of obtaining duplicate copy thereof from the concerned Authorities. Further, the provisions of this clause are not applicable in respect of leasehold land owned by the Company and held as Stock in Trade.
- ii) The only inventory in hand is in the form of lease hold plot rights, for which management has conducted physical verification in the form of measurement, frequency of which in our opinion is reasonable and no material discrepancies were noticed on the physical verification of the same as compared to book records.
- iii) According to the information and explanations given to us, the Company has granted unsecured loan to a party covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act") in respect of which:
 - a) In our opinion, the rate of interest and other terms and conditions on which the loan had been granted to the party listed in the register maintained under section 189 of the Act, were not, prima facie, prejudicial to the Company's interest.
 - b) In the case of loan granted to the party listed in the register maintained under Section 189 of the Act, we are explained that the same is repayable on demand. In our opinion, repayment of interest is regular in terms of demand made. We are also explained that no demand has been made during the year about repayment of principal.
 - c) In our opinion and in view of our comments in (a) and (b) above, no amount is overdue for recovery as at the year-end.
- iv) In our opinion and according to the information and explanations given to us, the Company had complied with the provisions of Section 186 of the Act in respect of grant of loan to a party in earlier year.
- v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the 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) According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities and there were no arrears for a period of more than six months from the date they became payable.

SWADESHI POLYTEX LIMITED

- b) According to information and explanation given to us and on the basis of our examination of the books of accounts of the company, following are the details of sales tax/income tax/custom duty/service Tax/excise duty, which have not been deposited as at March 31, 2018 on account of any dispute:

Name of Statute	Nature of Dues	Amount (In lacs)	Period	Forum at which dispute is pending
Various Sales Tax Acts	Sales Tax	15.74	Various	Various Forum.
The Customs Act, 1962	Custom Duty	8.50	Various	D. C. Customs Mumbai

- viii) According to the information and explanation given to us, the Company has not taken any loans or borrowings from financial institutions, banks and government and has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.
- ix) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) and term loans nor applied the previously raised loans, if any, during the year under report. Accordingly, provisions of clause 3 (ix) of the Order are not applicable to the Company.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and accordingly para 3 (xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SPMR & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 007578N

Sd/-
M S LADHA
Partner

Membership No.: 088221

Place : Faridabad
Date : 15-05-2018
Camp: Ghaziabad

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 Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Swadeshi Polytex Limited** (“the Company”) as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that:

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

SWADESHI POLYTEX LIMITED

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.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SPMR & ASSOCIATES
Chartered Accountants
Firm's Regn. No. 007578N

Sd/-
M S LADHA
Partner

Membership No.: 088221

Place : Faridabad
Date : 15-05-2018
Camp: Ghaziabad

SWADESHI POLYTEX LIMITED

BALANCE SHEET AS AT 31st MARCH, 2018

(Rs. In '000)

Particulars	Note No	As at March 31, 2018	As at March 31, 2017
I ASSETS			
(1) Non-current asset			
(a) Property, Plant & Equipment	5	491	567
(b) Financial Assets :			
(i) Other bank balances	6	2,000	-
(c) Deferred Tax Assets (Net)	7	37,826	42,381
(d) Other non-current assets	8	5,090	6,035
Total non-current assets		45,407	48,983
(2) Current Asset			
(a) Inventories	9	68,212	69,283
(b) Financial Assets :			
(i) Cash and cash equivalents	10	8,337	8,027
(ii) Other bank balances	11	5,909	-
(iii) Loans	12	5,121	5,122
(iv) Others	13	110	4
(c) Other Current Assets	14	417	23
Total current assets		88,106	82,459
Total Assets		133,513	131,442
II EQUITY & LIABILITIES			
EQUITY			
(a) Equity share capital	15	39,000	39,000
(b) Other equity	16	(560,779)	(557,403)
Total Equity		(521,779)	(518,403)
LIABILITIES			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	17	24,983	24,983
Total non-current liabilities		24,983	24,983
(2) Current liabilities			
(a) Financial liabilities :			
(i) Borrowings	18	254,236	254,236
(ii) Trade payables	19	7,449	4,480
(iii) Other Financial Liabilities	20	80,458	57,667
(b) Other current liabilities	21	288,166	307,315
(c) Provisions	22	-	1,164
Total current liabilities		630,309	624,862
Total Equity and Liabilities		133,513	131,442

Significant Accounting Policies

4

-

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

As per our Report of even date attached

For SPMR & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(M.S. Ladha)

Partner

FRN : 007578N, M.No. : 088221

Place : Faridabad

Camp : Ghaziabad

Date : 15.05.2018

For and on behalf of the Board of Directors

Sd/-

(S.B. Singh)

Director

(DIN 03225016)

Sd/-

(Promod Panday)

Chief Financial Officer

Sd/-

(B. Mehrotra)

Director

(DIN 03279399)

Sd/

(Stuti Thukral)

Company Secretary

SWADESHI POLYTEX LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In '000)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
INCOME			
Revenue from operations	23	30,944	20,334
Other Income	24	31,291	56,500
Total Income		62,235	76,834
EXPENSES			
Land Development Expenses		497	2,633
Changes in inventories	25	1,071	(1,001)
Finance Costs	26	36,434	33,137
Depreciation and amortization expense	5	92	104
Other expenses	27	22,682	21,070
Total Expenses		60,776	55,943
Profit / (Loss) before tax		1,459	20,891
Less : Tax Expenses			
- Current tax		280	4,520
- Earlier Years		-	(1,402)
- Deferred tax		4,555	6,448
Total Tax Expenses		4,835	9,566
Profit / (Loss) from continuing operations		(3,376)	11,325
Profit / (Loss) from discontinued operations		-	-
Tax expenses of discontinued operations		-	-
Profit / (Loss) from discontinued operations (afte tax)		-	-
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will ot be classified to Statement of 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 Statement of profit or loss		-	-
Total comprehensive income for the year		(3,376)	11,325
Earnings per equity share of face value of Rs. 10 each			
(i) Basic (in Rs.)	28	(0.87)	2.90
(ii) Diluted (in Rs.)	28	(0.87)	2.90

Significant Accounting Policies

4

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

As per our Report of even date attached

For SPMR & ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(M.S. Ladha)

Partner

FRN : 007578N, M.No. : 088221

Place : Faridabad

Camp : Ghaziabad

Date : 15.05.2018

For and on behalf of the Board of Directors

Sd/-

(S.B. Singh)

Director

(DIN 03225016)

Sd/-

(Promod Panday)

Chief Financial Officer

Sd/-

(B. Mehrotra)

Director

(DIN 03279399)

Sd/

(Stuti Thukral)

Company Secretary

SWADESHI POLYTEX LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

(Rs. In '000)

		Year Ended 31-03-2018	Year Ended 31-03-2017
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before Tax	1,459	20,891
	<u>Adjustments for :</u>		
	Depreciation and amortization expenses	92	104
	Finance Costs	36,434	33,137
	Interest received	(27,729)	(56,297)
	Changes in Liabilities to Erstwhile personnel	-	(656)
	Operating Profit before working capital changes	10,256	(2,821)
	<u>Adjustments for working capital changes :</u>		
	(Increase)/Decrease in Other non-current assets	945	4,350
	(Increase)/Decrease in Inventories	1,071	(1,002)
	(Increase)/Decrease in Financial-Non-current assets	(2,000)	-
	(Increase)/Decrease in Financial-current assets	(105)	4
	(Increase)/Decrease in Other current assets	(394)	236
	Increase/(Decrease) in Trade payables	2,969	844
	Increase/(Decrease) in Other-current Liabilities	(19,149)	(26,675)
	Increase/(Decrease) in Provisions	(1,164)	(166)
	Cash generated from Operations	(7,571)	(25,230)
	Direct Taxes Paid	(280)	(7,020)
	Net Cash flow from Operating activities	(7,851)	(32,250)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Fixed Assets including Intangible assets & CWIP	(16)	(63)
	Interest received	27,729	56,297
	Net cash used in Investing activities	27,713	56,234
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (repayment) of Borrowings	22,791	-
	Finance Costs	(36,434)	(33,137)
	Net cash from / (used in) financing activities	(13,643)	(33,137)
	Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	6,219	(9,153)
	Cash and Cash Equivalents at the beginning of the year (Refer Note 10 & 11)	8,027	17,180
	Cash and Cash Equivalents at the end of the year (Refer Note 10 & 11)	14,246	8,027

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

As per our Report of even date attached

For SPMR & ASSOCIATES
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

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

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

Sd/-
(B. Mehrotra)
Director
(DIN 03279399)

Place : Faridabad
Camp : Ghaziabad
Date : 15.05.2018

Sd/-
(Promod Panday)
Chief Financial Officer

Sd/
(Stuti Thukral)
Company Secretary

SWADESHI POLYTEX LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2018

A. EQUITY SHARE CAPITAL

(Rs. In '000)

Particulars	Amount
Balance at the beginning of the reporting period i.e. 1st April, 2016	39,000
Changes in equity share capital during the year 2016-17	-
Balance at the end of the reporting period i.e. 31st March, 2017	39,000
Changes in equity share capital during the year 2017-18	-
Balance at the end of the reporting period i.e. 31st March, 2018	39,000

B. OTHER EQUITY

AS ON 31st MARCH, 2017

(Rs. In '000)

Particulars	Reserve & Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e., 1st April, 2016	167,070	10,975	(746,773)	(568,728)
Total Comprehensive Income for the year	-	-	11,325	11,325
Balance at the end of the reporting period i.e., 31st March 2017	167,070	10,975	(735,448)	(557,403)

AS ON 31st MARCH, 2018

(Rs. In '000)

Particulars	Reserve & Surplus			
	General Reserve	Capital Redemption Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e., 1st April, 2017	167,070	10,975	(735,448)	(557,403)
Total Comprehensive Income for the year	-	-	(3,376)	(3,376)
Balance at the end of the reporting period i.e., 31st March 2018	167,070	10,975	(738,824)	(560,779)

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

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

Place : Faridabad
Camp : Ghaziabad
Date : 15.05.2018

For and on behalf of the Board of Directors

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

Sd/-
(Promod Panday)
Chief Financial Officer

Sd/-
(B. Mehrotra)
Director
(DIN 03279399)

Sd/
(Stuti Thukral)
Company Secretary

1 COMPANY OVERVIEW

Swadeshi Polytex Limited is a listed company engaged for 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 New Kavi Nagar Industrial Area, Ghaziabad (U.P).

The financial statements were approved for issue by the Board of Directors in their meeting held on May 15, 2018.

2 BASIS OF PREPARATION AND PRESENTATION

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (the Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2015 as the transition date. The transition was carried out from Indian Accounting Principals generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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

3 USE OF ESTIMATES

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

4 SIGNIFICANT ACCOUNTING POLICIES**4.1 Property, Plant & Equipment and Depreciation**

- (a) The company has elected the option to continue the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.
- (b) Subsequent expenditures relating to property, plant and equipment is capitalized only

when it is probable that future economic benefits associated with these will flow to the company and the costs to the item can be measured reliably.

- (c) Depreciation on Building, Plant & Machinery and Computer is being provided on Straight Line Method.
- (d) When part of an item of property, plant & equipment have different useful life then they are recognized and depreciated separately. Gains & Losses on disposal of an item of property, plant & equipment are determined by comparing the proceed from disposal with carrying amount of PPE and are recognized within other income in the statement of profit & loss.

4.2 Impairment of Assets

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

4.3 Revenue Recognition

- (a) Revenue from transfer of rights in leasehold land alongwith penalty is recognized when the company receives full payment from buyer & there is relinquishment of right in favor of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists.

4.4 Inventories

Valuation of stocks is done as mentioned below:

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

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

4.5 Taxation

(a) Current Tax

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

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

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

(b) Deferred Tax

Deferred tax is recognized using the balance sheet method, providing for temporary

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

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.

4.6 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.

4.7 Provisions, Contingent Liabilities and Contingent Assets

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

4.8 Financial Instruments

A Financial Assets

(a) Initial recognition and measurement

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

(b) Subsequent Measurement : Non-derivative financial instruments

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

A financial asset is subsequently measured at amortized cost if it is held within a

business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

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

(c) Investment in subsidiaries/associates/joint ventures

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

(d) Other Equity Investments

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

(e) Reclassification of financial assets

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

B Financial liabilities

(a) Initial recognition and measurement

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

(b) Subsequent Measurement : Non-derivative financial instruments

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

(c) Offsetting of Financial Liabilities

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

C Derecognition of financial instruments

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

4.9 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.

4.10 Cash and cash equivalents

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

4.11 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.

4.12 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.

4.13 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.

4.14 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)

Particulars	Gross carrying block			Depreciation / amortization			Net carrying block	
	As at March 31, 2017	Additions	As at March 31, 2018	As at March 31, 2017	Depreciation for the Year	As at March 31, 2018	As at March 31, 2018	As at March 31, 2017
Building - Pushpak Bhawan	93	-	93	12	2	14	80	81
Plant & Machinery	617	-	617	273	76	348	269	345
Furniture & Fixtures	2,438	-	2,438	2,321	-	2,321	117	117
Computer	298	16	314	274	15	289	25	24
Total	3,446	16	3,462	2,879	92	2,971	491	567
Previous Year	3,383	63	3,446	2,775	104	2,879	567	608

6. Other bank balances-Non-Current

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Bank deposits with original maturity more than 12 months	2,000	
Total	2,000	-

7. Deferred Tax Assets (Net)

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets due to		
Unabsorbed Depreciation & Carried forward losses	37,762	42,488
	37,762	42,488
Deferred Tax Liability due to		
Depreciation	(64)	107
	(64)	107
Deferred Tax Assets (Net)	37,826	42,381

7.1 The movement on the deferred tax account is as follows:

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
At the start of the year	42,381	48,829
Credit/(Charge) to Statement of Profit and Loss	(4,555)	(6,448)
At the end of the year	37,826	42,381

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

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured and Considered Good)		
Income tax receivable (Net of provision)	3,750	4,695
Security deposit	15	15
Statutory dues deposited under Protest	1,325	1,325
Total	5,090	6,035

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

Particulars	As at March 31, 2018	As at March 31, 2017
Leasehold Plot Rights*	68,212	69,283
Total	68,212	69,283

* Refer Note 4.4

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

Particulars	As at March 31, 2018	As at March 31, 2017
Cash on hand	14	143
Balances with schedule banks:		
In Current Accounts	1,084	1,384
In Fixed Deposit Accounts having maturity less than 3 months	7,239	6,500
Total	8,337	8,027

11. Other bank balances-Current **(Rs. In '000)**

Particulars	As at March 31, 2018	As at March 31, 2017
Bank deposits with original maturity more than 3 months but less than 12 months	5,909	-
Total	5,909	-

12. Loans **(Rs. In '000)**

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured and Considered Good)		
Loan due by an officer of the Company*	5,121	5,122
Total	5,121	5,122

*Refer Note 36.5 for details of Loan.

SWADESHI POLYTEX LIMITED

13. Other financial assets-Current

(Rs. In '000)

Particulars	As at	
	March 31, 2018	March 31, 2017
(Unsecured and Considered Good)		
Interest accrued	110	4
Total	110	4

14. Other Current Assets

(Rs. In '000)

Particulars	As at	
	March 31, 2018	March 31, 2017
(Unsecured and Considered Good)		
Others		
Sales tax refund receivable	394	-
Prepaid Expenses	23	23
Total	417	23

15. Equity Share Capital

(Rs. In '000)

Particulars	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
<u>Authorized</u>				
Equity Share of Rs. 10/- each	22500000	22,500	22500000	225,000
9.5% Redeemable cumulative Preference Shares of Rs100/-each	250000	25,000	250000	25,000
		47,500		250,000
<u>Issued, Subscribed & Fully Paid up</u>				
Equity Shares of Rs 10/- each fully paid up	3900000	39,000	3900000	39,000
		39,000		39,000

15.1 Reconciliation of share capital:

Particulars	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
Equity Shares at the beginning of the year	3900000	39,000	3900000	39,000
Add / (Less): Shares issued / (forfeited / buyback) during the year	-	-	-	-
Equity Shares at the end of the year	3900000	39,000	3900000	39,000

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

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

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

Name of the Shareholder	As at 31st March 2018		As at 31st March 2017	
	No. of Shares held	% of holding	No. of Shares held	% of holding
National Textile Corporation Ltd	1311000	33.61 %	1311000	33.61%
MKJ Enterprises Ltd	487525	12.50 %	487525	12.50%
Selecto Pac Private Ltd.	343250	8.80 %	343250	8.80%
Paharpur Cooling Towers Ltd.	528153	13.54 %	528153	13.54%
Doypack Systems Pvt Ltd.	277500	7.12 %	277500	7.12%

16. Other Equity

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
General Reserve		
Opening Balance	167,070	167,070
(+) Additions during the year	-	-
(-) Utilized / transferred during the year	-	-
	167,070	167,070
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	(735,448)	(746,773)
Add: Profit / (Loss) for the year	(3,376)	11,325
	(738,824)	(735,448)
	(560,779)	(557,403)

17. Other financial liabilities-Non current

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Other Payable*	24,983	24,983
Total	24,983	24,983

*Refer note no. 33

SWADESHI POLYTEX LIMITED

18. Borrowings-Current

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Secured*		
Loans from Related Parties	236,321	236,321
Unsecured		
Loans from Related Parties	17,915	17,915
Total	254,236	254,236

18.1 *Secured by way of negative lien on the land situated at Kavi Nagar, Ghaziabad.

18.2 Details of the default amount is as follow:

Principal Nil (Previous Year Rs. Nil), Interest Rs. 79,897/- (Previous Year 57,147/-)

19. Trade Payables

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Total Outstanding dues of micro and small enterprises	-	-
Total Outstanding dues of other than micro and small enterprises	7,449	4,480
Total	7,449	4,480

Refer Note 31

20. Other Financial Liabilities-Current

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Interest accrued on Borrowings	80,458	57,667
Total	80,458	57,667

21. Other Current liabilities

(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Retention Money Payable	540	540
Amount received for customers	286,529	305,819
Statutory dues Payable	1,097	956
Total	288,166	307,315

22. Provisions
(Rs. In '000)

Particulars	As at March 31, 2018	As at March 31, 2017
Provision for sales tax	-	1,164
Total	-	1,164

23. Revenue from Operations
(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Revenue from sale of leasehold plot rights	30,944	20,334
Total	30,944	20,334

24. Other Income
(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Interest Income	27,729	56,297
Misc. Income	3,562	203
Total	31,291	56,500

25. Changes in inventories
(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Opening Stock		
Leasehold Plot Rights	69,283	68,282
	69,283	68,282
Closing Stock		
Leasehold Plot Rights	68,212	69,283
	68,212	69,283
(Increase) / Decrease in inventories	1,071	(1,001)

26. Finance Costs
(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Interest on borrowings (Net)	36,434	33,137
Total	36,434	33,137

SWADESHI POLYTEX LIMITED

27. Finance Costs

(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Legal & Professional Expenses	12,878	8,570
Conveyance & Travelling Expense	4,278	2,956
Fees to Stock Exchange	288	239
Security Expenses	865	3,165
Power & Fuel	359	366
Repair Others	79	45
Business Promotion	1,272	1,611
Rates & Taxes	409	2,260
Directors' Sitting Fees	840	600
Payment To Auditors (Refer Note 27.1)	313	297
Communication Expenses	273	297
Advertisement	32	28
Printing & Stationary	184	162
Other Expenses	612	474
Total	22,682	21,070

27.1 Payment to Auditors

(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Audit Fee	195	190
Tax Audit Fee	89	86
Reimbursement of Expenses	29	21
Total	313	297

28. Earning per Share

(Rs. In '000)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Profit / (Loss) attributable to Equity Shareholders	(3,376)	11,325
Weighted average number of Equity Shares of Rs. 10/- Each (No. of Shares)	3,900,000	3,900,000
Earning per Shares - Basic & Diluted (In Rs.)	(0.87)	2.90

29 Discontinuing Operations

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

29.1 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:

(Rs. In '000)

29.2	Particulars	As at March 31, 2018	As at March 31, 2017
	Total Assets	1,325	1,325
	Total Liabilities	-	1,164
	Net Assets	1,325	161

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

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

(Rs. In '000)

Particulars	Current Year	Previous Year
(a) PF Cases pending at various forums	5,895	5,895
(b) Labor Matters relating settlement pending at various forums	4,890	4,315
(c) Sales Tax cases under litigation	1,574	9,413
(d) Excise matters under litigation	-	16,418
(e) Other Matters	5,507	5,363

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

- 31 Based on the confirmations from the parties, who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), received so far with the company, no balance is due to Micro and Small Enterprises as defined under the MSMED Act, 2006 as at 31st March 2018 & 31st March 2017. Hence no further details as required by Notification dated 04-09-2015 issued by the Ministry of Corporate Affairs are applicable.
- 32 Balances appearing for Trade Payables, and loans & borrowings are subject to confirmation, reconciliation and adjustments, if any.
- 33 Other payable, Note 17, includes alleged dues being contested before the Honorable High Court at Rs. 22,584/- (out of total Rs. 24,983/-) . Hence it has not been fair valued.
- 34 Company has started developing the Plots as per the approved plan of UPSIDC and accordingly has incurred an expenditure of Rs. 301/- (Previous year 1,899/-) , is allocated proportionately on the saleable area and unallocated portion made a part of stock in Trade and balance was charged to PVPL, giving affect to fourth addendum.
- 35 During the year, the Company has entered into Addendum to the Memorandum of Understanding between the Company, Pranjal Vyapar Private Limited and secured lender Paharpur Cooling Towers Limited, revising and extending the terms of One Time Settlement with respect to interest on unsold inventory, levy of penalty on unsold inventory recoverable on actual sales and recovering the reasonable maintenance and other expenses incurred for unsold land. Accordingly, accounting impact of the same has been considered in the books.

SWADESHI POLYTEX LIMITED

36 In the opinion of the Board and to the best of their knowledge and belief the value on realization of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and provision for all known liabilities has been made.

37 Related Party Disclosure

37.1 List of Key Management of Personnel

Name	Designation
Mr. Bhuwan Chaturvedi	Chief Executive Officer
Mr. Promod Pandey	Chief Financial Officer
Ms. Sunita Gujjar from 11 Feb, 2016 to 20 Nov, 2017	Company Secretary
Ms. Lovely Kumari from 20 Nov, 2017 to 15 Jan, 2018	Company Secretary
Mr.. Naveen Aggarwal	Director
Mr. N.K. Gupta	Director
Mr. S.S. Madan	Director
Mr. Y.J. Dastoor	Director
Mr. Bipin Behari Mehrotra	Director
Ms. Perti Marwaha	Director

37.2 Compensation of Key Management Personnel

(Rs. in '000)

Particulars	Current Year	Previous Year
Short -term benefits	-	-
Post-employment benefits	-	-
Other long-term benefits	-	-
Termination benefits	-	-
Total	-	-
Recovery of Loans & Advances during the year	-	-
Advances released during the year	-	-
Closing Balance of Loans & Advances (Mr. Bhuwan Chaturvedi)	5,121	5,122
Remuneration paid to Ms. Sunita Gujjar	154	180
Remuneration paid to Ms. Lovely Kumari	47	-
Remuneration paid to Mr. Pramod Pandey	600	600
Remuneration paid to Mr. Bhuwan Chaturvedi*	-	-
Sitting Fees paid to Mr. Naveen Aggarwal	250	200
Sitting Fees paid to Mr. N.K. Gupta	160	185
Sitting Fees paid to Mr. S.S. Madan	160	50
Sitting Fees paid to Mr. Y.J. Dastoor	140	50
Retainership Charges Paid to Mr. Bipin Behari Mehrotra	280	-
Sitting Fees paid to Ms. Perti Marwaha	130	115

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

SWADESHI POLYTEX LIMITED

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

(Amount in Rupees)

Nature of Transactions	Current Year	Previous Year
Unsecured Loan taken and outstanding	17,915	17,915

37.4 Associates: Paharpur Cooling Towers Ltd.

(Holding indirectly more than 20% shareholding in the co.)

(Rs. in '000)

Nature of Transactions	Current Year	Previous Year
Reimbursement for various expenses	4,189	3,387
Interest Paid	36,434	33,137
Secured Loan repaid	10,000	6,000
Outstanding Balance of Secured Loan taken	236,321	236,321
Outstanding Balance of Interest Accrued & Due	79,897	57,147
Outstanding Balance of Interest Accrued & Not Due	561	521

37.5 Loans to and from KMP

(Rs. in '000)

Mr. Bhuwan Chaturvedi (CEO)

Particulars	Current Year	Previous Year
Loans at beginning of the year	5,122	5,126
Loan advanced	-	-
Repayment received	-	-
Interest charged	500	500
Interest received	501	504
Balance at end of the year including interest	5,121	5,122

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

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

40. Information regarding Goods Traded

40.1 Description

: Lease Plots Rights

Particulars	Current Year		Previous Year	
	Qty (in Sqm)	Amount	Qty (in Sqm)	Amount
Opening Balance*	177,686	69,283	180,166	68,282
Purchase	-	-	-	-
Sales	3,774	30,944	2,480	20,334
Closing Balance*	173,912	68,212	177,686	69,283

* 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 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 Board identified financial risks comprising liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk of interest rate through proven financial instruments.

42.2 Liquidity Risk

The Company requires funds primarily for short-term operational needs. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and provide liquidity for short-term need of the funds. Accordingly no liquidity risk is perceived.

42.3 Market Risk

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

SWADESHI POLYTEX LIMITED

PROXY FORM Form No. MGT-11

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

Swadeshi Polytex Limited

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

Name of the member(s)			
Registered address			
E-mail id			
Folio no./Client Id		DP Id	

I/We, being the member (s) of..... shares of Swadeshi Polytex Limited, hereby appoint:

1 Name: E-mail Id:

Address:

..... Signature:, or failing him

2 Name: E-mail Id:

Address:

..... Signature:, or failing him

3 Name: E-mail Id:

Address:

..... Signature:, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th Annual General Meeting of the Company, to be held on **Tuesday 25th September, 2018** at the Registered Office of the Company at A-1, Sector 17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

SWADESHI POLYTEX LIMITED

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

S. No	Resolution	For	Against
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018 together with the reports of Directors and Auditors thereon.		
2	To appoint a Director in place of Shri Gaurav Swarup having Director's Identification Number 00374298, who retires by rotation and being eligible, offers himself for re-appointment.		
3	To appoint a Director in place of Shri Bipin Behari Mehrotra having Director's Identification Number 03279399, who retires by rotation and being eligible, offers himself for re- appointment.		
4	To appoint a Director in place of Dr. Anil Gupta having Director's Identification Number 07319209, who retires by rotation and being eligible, offers himself for re- appointment.		

Signed this..... day of.....2018

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

Affix Re. 1/- revenue stamp

Notes:

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

Swadeshi Polytex Limited

CIN: L25209UP1970PLC003320

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

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

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

I HEREBY RECORD MY PRESENCE AT THE 48TH ANNUAL GENERAL MEETING OF SWADESHI POLYTEX LIMITED ON **TUESDAY 25TH SEPTEMBER, 2018** AT A-1, SECTOR 17, NEW KAVI NAGAR, INDUSTRIAL AREA, GHAZIABAD - 201002 (UTTAR PRADESH)

Date:

First Holder Signature

Notes:

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

SWADESHI POLYTEX LIMITED

Swadeshi Polytex Limited

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

Sl. No.....

BALLOT PAPER

48TH ANNUAL GENERAL MEETING of the members of the Company to be held at Registered office of the company at A-1, Sector 17, New Kavi Nagar, Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) on Tuesday, 25th September, 2018 at 11.30 am.

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

Sl. No	Resolution	For	Against
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2018 together with the reports of Directors and Auditors thereon.		
2	To appoint a Director in place of Shri Gaurav Swarup having Director's Identification Number 00374298, who retires by rotation and being eligible, offers himself for re-appointment.		
3	To appoint a Director in place of Shri Bipin Behari Mehrotra having Director's Identification Number 03279399, who retires by rotation and being eligible, offers himself for re- appointment.		
4	To appoint a Director in place of Dr. Anil Gupta having Director's Identification Number 07319209, who retires by rotation and being eligible, offers himself for re- appointment.		

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

* Please tick in the appropriate column

Unit: Swadeshi Polytext Limited

25/08/2018

Dear Shareholder,

Payment of Dividend through Electronic mode
(NECS / NEFT / RTGS)

SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 Dated April 20, 2018 has directed all listed companies to ensure that any payment of Dividend to the Shareholders is made through electronic channels such as NECS/NEFT/RTGS. The Companies through their RTAs are further directed to collect copy of PAN and Bank Account details of all Shareholders holding Shares in physical form.

In view of the same, we request you to:

- 1) Furnish your PAN and Bank Account details in the format provided herewith.
- 2) Furnish self-attested copy of your PAN Card along with cancelled "Name printed Cheque" in original or copy of Bank Passbook / Bank Statement duly attested by the Bank.
- 3) Convert your holding into Demat Form.
- 4) Provide / update your E-mail ID for communication purpose.

We wish to highlight the below benefits of receiving payments through the Electronic mode rather than receiving drafts / warrants in physical mode.

- Ensures timely credit of funds to the specified accounts.
- Ensures credits are done seamlessly without manual intervention.
- Eliminates postal/mailling delays.
- Saves your effort of safekeeping and depositing of physical drafts / warrants at a bank.
- Helps track receipt of payments from the bank statements.

KINDLY PROVIDE THE REQUIRED DETAILS WITHIN 21 DAYS OF RECEIPT OF THIS LETTER.

.....

DEMATERIALIZATION OF SHARES

SEBI vide its Gazette Notification No. EBI/LAD-NRO/GN/2018/24 Dated June 8, 2018 has issued the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 providing for transfer of Securities in dematerialised form only with effect from December 5, 2018 by amending the Regulation 40 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- **KINDLY NOTE THAT SECURITIES HELD IN PHYSICAL FORM SHALL NOT BE TRANSFERRED BY THE COMPANY AFTER DECEMBER 5, 2018 UNLESS THE SECURITIES ARE HELD IN DEMATERIALIZED FORM.**
- **HOW TO CONVERT PHYSICAL SHARE CERTIFICATES INTO DEMAT FORM:**
 - a) You need to open a beneficiary account (BO), with a depository participant, popularly called DP. A depository participant is an agent, who interacts with the depository. Your bank can be a depository participant. The depositories in India are the NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited).
 - b) Submit proof of identity such as PAN card and an identity proof/address proof, such as Passport copy along with copy of AADHAAR. (Your demat account, should be in the same name as the ownership in physical form).
 - c) Once your demat account is opened, your shares can be demated, by filling a Dematerialisation Request Form (DRF). You then submit/surrender the certificates of the shares which you want dematerialized, along with the dematerialisation Request Form (DRF), to the depository participant.
 - d) Your demat account with the depository participant (DP), will be credited with the dematerialized shares.

YOU ARE REQUESTED TO CONVERT YOUR PHYSICAL HOLDINGS INTO DEMAT FORM AT THE EARLIEST.

Thanking You,
Yours faithfully

For RCMC Share Registry Pvt. Ltd.

Sd/-

Authorized Signatory

Submission of PAN, Bank details and Mandate Form for receiving Payment of Dividend through Electronic Payment mode (NECS/NEFT/RTGS)

(Please fill in the information in **CAPITAL LETTERS** in **ENGLISH ONLY**)

RCMC SHARE REGISTRY PRIVATE LIMITED
B-25/1, First Floor, Okhla Industrial Area,
Phase-II, Near Rana Motors
New Delhi – 110020

I hereby give my mandate to credit my Dividend on the Shares held by me under the Folio mentioned directly to my Bank Account through the National Electronic Clearing System NECS/NEFT/RTGS.

UNIT	Folio No.
Swadeshi Polytex Limited	

E-mail ID	
------------------	--

PAN DETAILS

	Name	PAN No.
First /Sole Holder		
Second Joint Holder		
Third Joint Holder		

BANK DETAILS

Bank Name			
Branch Address			
Bank Account No.			
Account type (Please ✓ relevant box)	SAVINGS	CURRENT	CASH CREDIT
MICR Code (9 digits)			
IFSC Code (11 digits)			

I/we hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/we would not hold the Company / RTA responsible. I/we undertake to inform any subsequent changes in the above particulars before the relevant Book closure / Record Date(s).

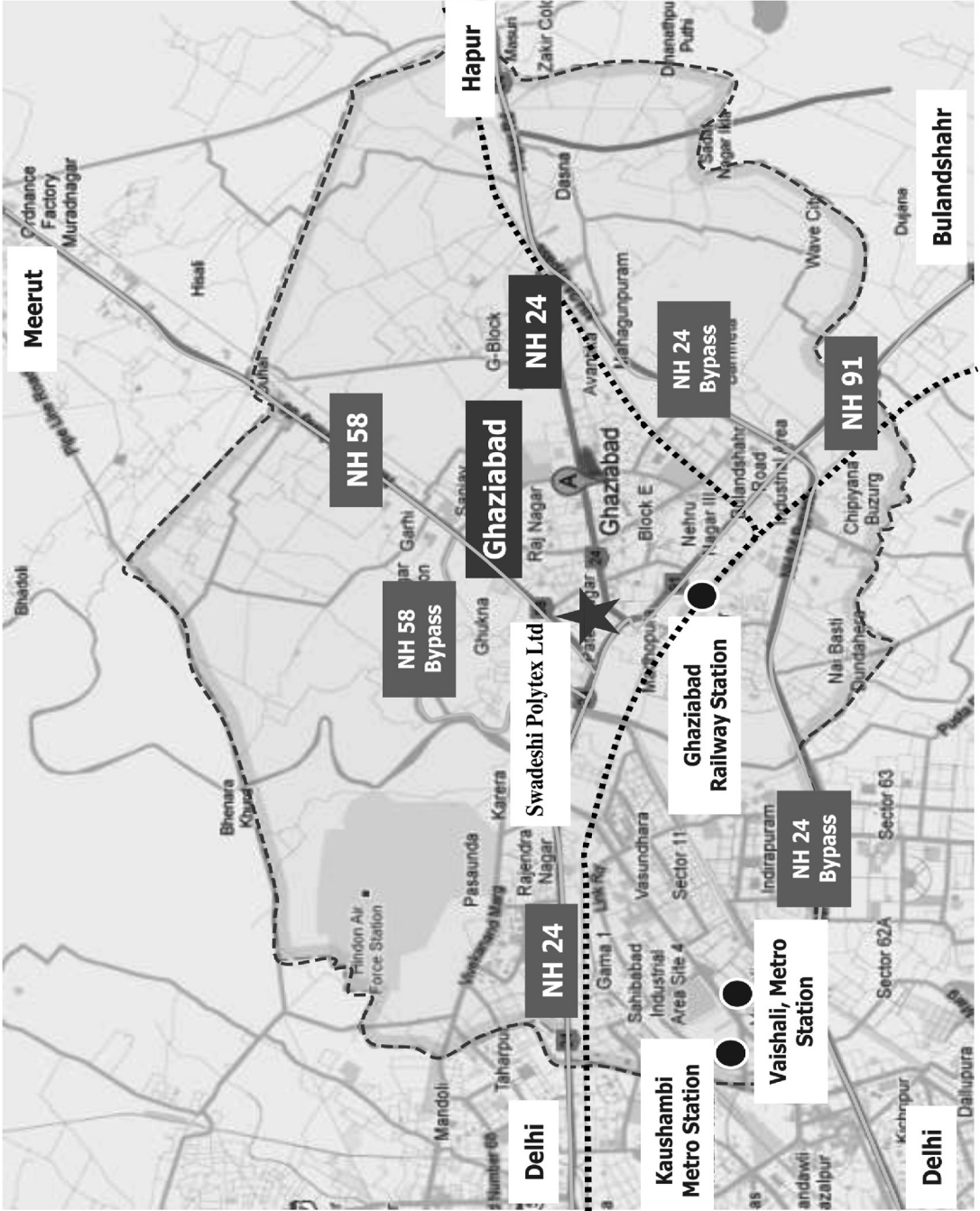
Place :

Date : _____
Signature of Sole/First Holder

Signature(s) of Joint Holder(s)

Instructions:

1. Please send the duly completed and signed form.
2. For any changes, fresh form needs to be submitted in the same format.
3. Fax/Scanned copy of this form shall not be accepted.
4. Please attach copy of PAN card along with cancelled cheque leaf.



Meerut

Hapur

Bulandshahr

NH 58

NH 24

NH 24 Bypass

NH 91

Ghaziabad

NH 58 Bypass

Swadeshi Polytex Ltd

Ghaziabad Railway Station

NH 24 Bypass

Vaishali, Metro Station

NH 24

Kaushambi Metro Station

Delhi

Delhi

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