



September 03, 2024

BSE Ltd.
Corporate Relationship Department,
P J Towers, Dalal Street
Mumbai – 400 001.
Scrip Code: 523558

Sub: Annual Report 2023-24 along with Notice convening the 35th Annual General Meeting ('AGM') of the Company to be held on Friday, September 27, 2024 at 12:00 Noon through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

Dear Sir,

Pursuant to the Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report for the Financial Year 2023-24 along with Notice of 35th AGM to be held on Friday, September 27, 2024 at 12.00 Noon through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

The same is also uploaded on the website of the Company at <https://www.swissmilitaryshop.com>.

This is for your information and records.

Thanking You

For **SWISS MILITARY CONSUMER GOODS LIMITED**

VIKAS JAIN
COMPANY SECRETARY

Encl. as above

SWISS MILITARY CONSUMER GOODS LIMITED

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www.swissmilitaryshop.com, CIN: L51100DL1989PLC034797



SWISS
MILITARY



Annual Report 2023-24

DESTINED FOR GROWTH

Swiss Military Consumer Goods Limited

CONTENTS

CORPORATE OVERVIEW

Destined for Growth	2
Chairman's Communique	4
Performance Highlights	10
Statement from the Managing Director	12
About the Company	14
Our Journey	16
Our Product Segments	18
Our Competitive Edge	22
Key Performance Indicators	24
Our Eminent Board	26

STATUTORY REPORTS

Management Discussion & Analysis	28
Corporate Information	42
Board's Report	43
Report on Corporate Governance	60

FINANCIAL STATEMENTS

Standalone Financial Statements	80
Consolidated Financial Statements	112



WE ARE
AT THE
RIGHT PLACE
AT THE
RIGHT TIME
WITH THE
RIGHT PRODUCT

IN THE RIGHT PLACE AT THE RIGHT TIME

A RESURGENT INDIA

That holds the position of being the fastest growing major economy and is racing to become the 3rd largest economy in the world by 2030.

A YOUNG INDIA

with about 65% of the population featuring below 35 years of age and the nation will have one of the largest Working-Age populations by 2030 (McKinsey projection)

Sources
<https://aamaadmiparty.org/press-release/india-is-youngest-country-in-whole-world-65-of-population-of-our-country-is-below-35-years-of-age-and-indias-average-median-age-is-29-years-raghav-chadha/#:~:text=Approximately%2C%2065%25%20of%20India's%20population,while%20we're%20getting%20younger.>
<https://www.ndtv.com/india-news/india-to-have-one-of-the-largest-working-age-populations-by-2030-mckinsey-4331168>
<https://www.livemint.com/opinion/online-views/let-a-middle-class-boom-fend-off-a-middle-income-trap-11698677943311.html>
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<https://www.price360.in/expertview/the-rise-of-indias-middle-class-a-force-to-reckon-with/#:~:text=It%20now%20represents%2031%20percent,elimination%20is%20becoming%20a%20reality.>

A UPWARD-MOBILE INDIA

where the middle-class represent 31% of its population which will progress to ~40% by 2031.

A PROSPERING INDIA

that can boast of a per capita income of about US\$ 2,500 which is projected to increase to US\$4,000 by 2030.

A SPENDING INDIA

Where consumer spending is at US\$ 1.9 trillion and is projected to increase to US\$ 5.2 trillion by 2030.

WITH THE RIGHT PRODUCTS

As the sole franchise of Swiss Military in India, the brand offers an exclusive range of products that stand out for their quality, durability, and innovative design. From travel gear to lifestyle accessories, Swiss Military products are not just functional; they are crafted to cater to the aspirations of a generation that values style and substance.

WE ARE OFFERING

AFFORDABLE LUXURY.



CHAIRMAN'S COMMUNIQUE

“WE ENVISION A MASSIVE SURGE IN THE DEMAND FOR QUALITY LUGGAGE. LUGGAGE THAT REPRESENTS THE TRAVELLERS’ PERSONALITY AND ENHANCES TRAVEL CONVENIENCE. BEING IN THE LUGGAGE SEGMENT, WE SEE A SIGNIFICANT OPPORTUNITY TO GROW OUR WALLET, SHELF SHARE AND BUSINESS SHARE.”



Dear shareholders,

It gives me immense pleasure and satisfaction to inform you that we have closed FY24 on a splendid note and robust numbers. We reaffirm and assure all our valued stakeholders that we are fully committed to serving your interests and scaling up business through progressive growth on all parameters. We reiterate with pride and humility that at Swiss Military, we delivered on all our

stated commitments, goals and objectives while progressing on our strategic focus areas. Our performance reflects our ability to adapt, innovate, and thrive in a dynamic, cutthroat and price-sensitive market environment.

FY24 marks an important milestone in our journey as we

have embarked on setting up our first manufacturing facility dedicated to manufacturing travel gear. While this marks a break in our otherwise asset-light operations, it was the need of the hour.

The altering landscape

Today, we stand at the edge of massive change, with the world around us rapidly evolving to embrace the next normal.

The next normal is the rapid shift in consumer preferences from ‘Materialistic Possessions’ to ‘Memorable Experiences’. The average Indian is arguably investing much more in building moments as against material stuff.

As a result, travel has surged. The air travel numbers are mind-boggling. In the first three months of 2024 alone, 97 million passengers travelled through Indian airports.

Air travel in India's rural areas saw a significant surge last fiscal year, driven by government initiatives and expanded airline services to underserved regions. Regional airports reported substantial increases in passenger traffic, ranging from 30% to a remarkable 702% in FY24 compared to the previous year.

Moreover, Indians spent 3.5 times more on foreign travel in FY24 than they did five years ago. And tailwinds to this trend will only strengthen as we move forward for three important reasons.

1) The travelling mindset has changed.

The travel landscape in India has evolved. Gone are the days of only having family vacations and business trips. Indians are now opting for leisure trips, staycations, teenage and group travel, and solo trips. The concept of 1 family trip a year has now broadened to various short road trips, weekend staycations, friends’ trips, bachelorette trips and more.

2) Earning potential will only increase.

In the last three decades, India has not only grown faster but has also compressed the GDP growth of the earlier decades into fewer years. India is expected to transition from a US\$ 3.75 Trillion economy to a US\$ 7 Trillion economy in maybe by the end of this decade. What was achieved in 78 years will be replicated in about seven years.

As the nation surges ahead, some secular trends will continue to reshape the consumer landscape in India - rising disposable incomes and the democratisation of the internet mean that awareness levels are very high. Media reports suggest that India's per capita income will likely grow around 70% by 2030 and is expected to reach US\$4,000 from current levels of US\$2,450. Even as this transpires, an appreciable proportion of this would come to travel.

3) Connectivity will surge

The government is pivotal in supporting this travel boom by investing heavily in infrastructure.

- Our airports have surged from 74 in 2014 to 149 in 2024. Moreover, plans are underway to construct 71 new airports, totalling 220 in the near future. The new airports are focused on building connectivity with tier 2 and 3 towns, making travelling more accessible.
- There is a plan to redevelop railway stations in India, the largest of its kind in the world, of which work has been initiated for about 500. Moreover, the Government is adding the new Vande Bharat trains on every travel route to make travel an enthralling experience.

Wind beneath our wings

We envision a massive surge in the demand for quality luggage. Luggage

that represents the travellers’ personality and enhances travel convenience. Being in the luggage segment, we see a significant opportunity to grow our wallet, shelf share and business share.

We are responding to this opportunity proactively. We are setting up a luggage manufacturing facility, our first asset-based operations. The new venture is aligned with our future vision of expansion in India and abroad while being part of the government’s ‘Make in India’ call.

We trust that this new facility will be a cornerstone in our journey towards sustained growth and leadership in the industry.

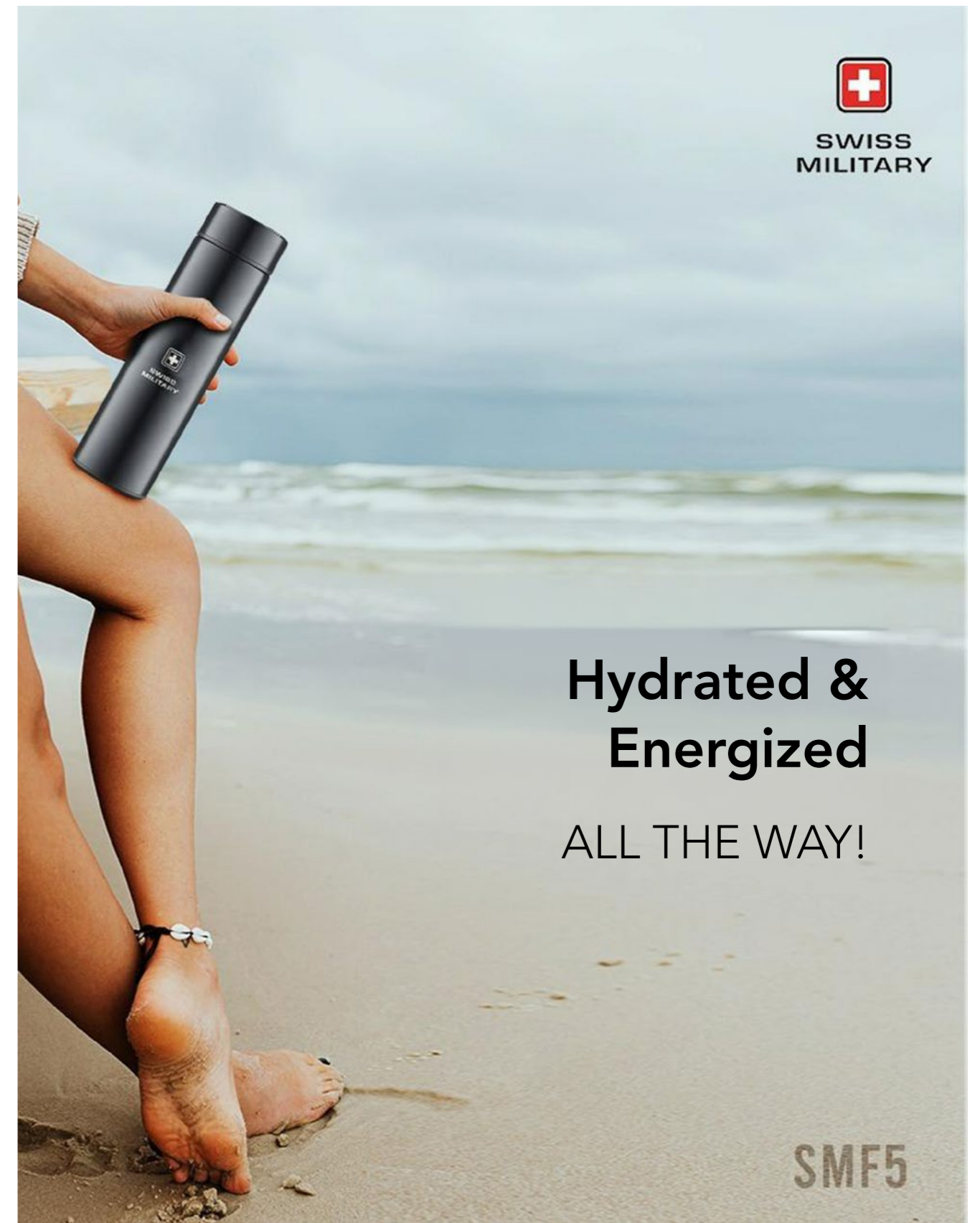
Additionally, we will continue to assess new segments and categories based on their potential. We will curate strategies to acquire capabilities we do not possess or need to develop quickly as long as they meet our strategic and financial filters and align with our long-term objectives.

In conclusion

I am optimistic about the future of Swiss Military. We are well-positioned to capitalise on the growing trends in travel and lifestyle products, supported by our strong financial performance and strategic initiatives. I thank our shareholders, employees, and customers for their unwavering support and trust.

TOGETHER, WE ARE DESTINED FOR GROWTH.

Warm regards
Ashok Kumar Sawhney
Chairman



HIGHLIGHTS FY24

48.3%
REVENUE GROWTH

FY23
(₹ crore)
122.21

FY24
(₹ crore)
181.23



58.7%
PAT GROWTH

FY23
(₹ crore)
5.18

FY24
(₹ crore)
8.22



64.4%
EBITDA GROWTH

FY23
(₹ crore)
6.68

FY24
(₹ crore)
10.98



7.68%
NET WORTH GROWTH

FY23
(₹ crore)
66.06

FY24
(₹ crore)
71.13

60 BPS
EBITDA MARGIN IMPROVEMENT

FY23
(%)
5.4

FY24
(%)
6.0



MESSAGE FROM THE
MANAGING DIRECTOR



“I AM CONFIDENT THAT WITH OUR CONTINUED COLLABORATION, INNOVATIVE SPIRIT, AND **UNWAVERING COMMITMENT TO EXCELLENCE, WE WILL ACHIEVE REMARKABLE RESULTS.**”

Dear shareholders.

The journey of Swiss Military's success has been significantly shaped by the resilience and commitment of our team. Their unwavering dedication has not only preserved our brand legacy but also fostered innovation and championed sustainability. This dual focus on heritage and forward-thinking is a clear reflection of our strategic vision.

Our relentless focus on customer satisfaction is evident in every aspect of our operations and product development. By placing customers at the heart of our business, we ensure that we deliver exceptional value at reasonable prices. This customer-centric approach not only fosters loyalty but also optimises returns for our shareholders.

This is amply visible in our business and profitability growth. Our Company has not only met but exceeded expectations in revenue, profitability, and growth; this success is a testament to the collective efforts of every individual within our organisation.

We have launched our latest collection of eco-friendly garments. Thoughtfully crafted using Micromodel and bamboo cotton fabric

Seeing how we have achieved such robust turnover growth and significant brand development is truly inspiring.

Reflecting on the achievements of the past year, it is crucial to acknowledge the challenges we have faced and the lessons we have learned. These financial results provide a solid foundation for future growth and development.

We are making a big splash in the luggage sector to accelerate our business growth. We are setting up our first fully owned manufacturing unit in Faridabad, Haryana, with an initial investment of ₹56.5 crore. Spread over 1.21 acres and a built-up area of about 85,000 square feet; our plant will have a production capacity of 10 lakh pieces per year. Our manufacturing capabilities will help establish Swiss Military's commitment to modernisation within the travel gear sector in the Indian market and to shorten go-to-market timelines with new products.

In summary

Swiss Military's success results from a well-rounded strategy that balances tradition with innovation, customer satisfaction with operational efficiency, and sustainability with profitability. This strategic balance reassures us of our path and instils confidence in our future.

The path ahead is promising, and our strategic plans, designed to position Swiss Military for even greater success, fill us

We aim to expand our retail touch-point total to 10,000 in the coming 5 years.

with optimism and hope.

The leadership team's astute strategic thought and the team's collective effort have positioned the company as a leader in the industry, and it's exciting to see what the future holds for the Swiss Military.

I am confident that with our continued collaboration, innovative spirit, and unwavering commitment to excellence, we will achieve remarkable results. We will continue to deliver exceptional value to our shareholders and customers, ensuring that Swiss Military remains at the forefront of our industry.

Warm regards
Anuj Sawhney
Managing Director

YOU NEED TO KNOW A
LITTLE ABOUT US

**WE ARE THE EXCLUSIVE LICENSEES FOR THE GLOBALLY RENOWNED
'SWISS MILITARY' BRAND IN INDIA.**

WE ARE ALWAYS PRESENT PROXIMATE TO OUR CUSTOMER COHORT.

WE ARE SWISS MILITARY CONSUMER GOOD LIMITED.

We specialise in a diverse range of lifestyle products, catering to a broad audience with a focus on quality and innovation. We are headquartered in New Delhi, India.

We have established a strong presence with over 2,000 retail outlets across Mumbai, Delhi, Gujarat, Punjab, Himachal Pradesh, Uttar Pradesh, Jharkhand, Maharashtra, Madhya Pradesh, Chhattisgarh, Orissa, and Southern India. We are steadily extending our reach into tier 2 and 3 cities.

In addition to our strong physical presence, we have established a significant digital footprint in the e-commerce segment, with our products available on leading e-commerce platforms. We also feature an exclusive marketing portal showcasing our entire product range.

Operating on an asset-light model, we collaborate with white-label manufacturing partners who produce our goods under stringent quality control measures managed by our dedicated team. This ensures that every product delivered meets our high standards and offers exceptional value to our customers.

Our commitment to quality is complemented by our comprehensive after-sales service, ensuring customer satisfaction at every step.

Swiss Military Consumer Goods Limited is guided by the visionary leadership of our Chairman, Mr. Ashok Kumar Sawhney, and supported by a dynamic and energetic team of professionals who manage day-to-day operations with enthusiasm and expertise.



OUR VISION

The vision of the Swiss Military is to be the most coveted & loved brand in India for its quality and reliability.



OUR MISSION

Swiss Military's mission is to continue its unflinching commitment to offering world-class products at affordable prices.



OUR PHILOSOPHY

Swiss Military believes in Premium, affordable products; the brand firmly believes that more and more people should experience the joy of owning a luxury product. As a brand, Swiss Military offers products that score high on aesthetics and maintain a fine balance between form and functionality. The Swiss Military has believed in and promoted this philosophy for nearly four decades.

NUMBERS THAT DEFINE US

15+

Manufacturing Partners

1,500+

Product SKUs

2,000+

Dealers

100+

Team Size

180+

Cities of Presence

3

Warehouses

1,800+

Multi-Brand Outlets

15+

E-Commerce Portals Marketing
Our Products

71.13

Capital Employed,
March 31, 2024 (C crore)

STEPS TOWARDS OUR DESTINATION...

Our journey is a testament to our strategic vision, adaptability, and commitment to excellence. Over the last few years, we have made a considerable difference in enhancing India's comfort living quotient.

2020

SEPTEMBER

Takeover of Network Limited.

NOVEMBER

Agreement for the exclusive right to use the brand 'Swiss Military' in India for the Home Appliance and Innerwear category.

DECEMBER

Changed the name of the Company.



2021

MAY

Launch of Innerwear and Home Appliance segment.

NOVEMBER-DECEMBER

Rights Issue of ₹9.82 crore (issue period).

2022

FEBRUARY

Mr. Randeep Hooda was appointed as the brand ambassador of the innerwear category. Launch of the Distributor recognition programme.

APRIL

Acquisition of Wholly Owned Subsidiary for RFID Seal Business.

JUNE

Arrangement for the exclusive right to use the brand 'Swiss Military' in India for all the product categories. Appointment of Sonali Bendre as Brand Ambassador for the product range of premium Home Appliances.

AUGUST

Rights issue of ₹44.23 crore

2023

SEPTEMBER

Declaration of First Dividend in the History of Company

2024

FEBRUARY

Announcement of Rights issue of ₹49.15 crore

Announcement of owned luggage manufacturing facility

MARCH

Incorporation of Wholly Owned Subsidiary for Luggage Manufacturing Facility

MAY

Grant of ESOP

JUNE

Acquisition of Land & Building for Luggage Manufacturing Facility



PRODUCT CATEGORIES

We are a medium that connects our customers to Premium Lifestyle products at affordable prices.

We call it **Affordable Luxury**.

LUGGAGE

At Swiss Military, our luggage category embodies the perfect blend of style, functionality, and durability, catering to the needs of modern travellers.

We offer a diverse range of luggage options –

**TROLLEY BAG | OFFICE BRIEFCASE
LAPTOP / BACKPACK | DUFFLE BAG
DUFFLE TROLLEY | OVERNIGHTER
TOILETRY BAG**

500+
SKU's

520+
Dealers





HOME APPLIANCES

We offer a comprehensive range of home appliances that enhance the modern lifestyle.

FANS | MIXER GRINDER JUICER RANGE | FLASKS & MUGS
 IRON | INFRARED INDUCTION
 COOKTOPS RANGE | CHOPPER | EGG BOILER
 KETTLE RANGE | TOASTER RANGE
 RICE COOKER | HAND BLENDER
 ROOM HEATER

120+
SKU's

700+
Dealers

COMPETITIVE MOAT

Our competitive positioning is anchored in our ability to deliver innovative, high-quality solar solutions that meet the evolving needs of our global markets. By leveraging our extensive industry expertise and strategic approach, we consistently scale our operational efficiency, improve business profitability and maintain a strong market presence.

1) EXPERIENCED LEADERSHIP AND MANAGEMENT

Our leadership team comprises the promoter family and seasoned professionals with a proven track record of success in the industry. Their collective expertise and deep understanding of our business operations give us a competitive advantage. This strong foundation enables us to drive strategic growth and operational excellence.

2) HIGHLY SKILLED PROFESSIONALS

Our success is driven by an exceptional talent pool of highly qualified professionals with extensive industry expertise. This dedicated team consistently pursues and achieves ambitious targets, enabling us to aim higher and maintain our competitive edge. Their industry insights and innovative approaches are crucial to our sustained growth and development.

3) GLOBALLY RECOGNISED BRAND

The Swiss Military brand is synonymous with quality and reliability, enjoying global recognition and a loyal customer base. This strong brand presence reduces the need for extensive branding and advertising efforts, allowing us to focus on delivering exceptional products and experiences to our customers. Our brand's reputation for excellence provides a natural advantage in attracting and retaining customers.

4) HIGH-GROWTH PRODUCT RANGE

We have established a formidable presence in multiple high-growth product categories, continuously enhancing our offerings to meet evolving customer demands. We effectively address market gaps and drive sustained growth by introducing contemporary SKUs across our product segments. Our diverse and innovative product range ensures we remain at the forefront of consumer preferences.



5) OMNICHANNEL PRESENCE

Our brick-and-click strategy seamlessly integrates physical and digital channels, providing customers with a comprehensive and convenient shopping experience. This approach allows us to reach new customer segments, increase product availability, and drive sales. We enhance customer engagement and loyalty by leveraging both online and offline touchpoints.

6) ROBUST DISTRIBUTION NETWORK

We focus on expanding our product range, market reach, and scale of operations by building and nurturing strong relationships with our distributors and retailers. Our extensive distribution network is vital to our business, ensuring our products are readily available to consumers across diverse markets. This network supports our growth strategy and enhances our market penetration.

7) ASSET-LIGHT MODEL

Our asset-light operating model allows us to adapt to market dynamics and maintain sufficient liquidity. This approach allows us to operate efficiently and respond swiftly to changing market conditions. As a tech-enabled, modern business, our asset-light model offers greater flexibility and agility than traditional asset-heavy industries.

OUR NUMBERS TESTIFY OUR STRENGTH

48.36%

REVENUE GROWTH
3-YR CAGR

61.69%

EBITDA GROWTH
3-YR CAGR

44.09%

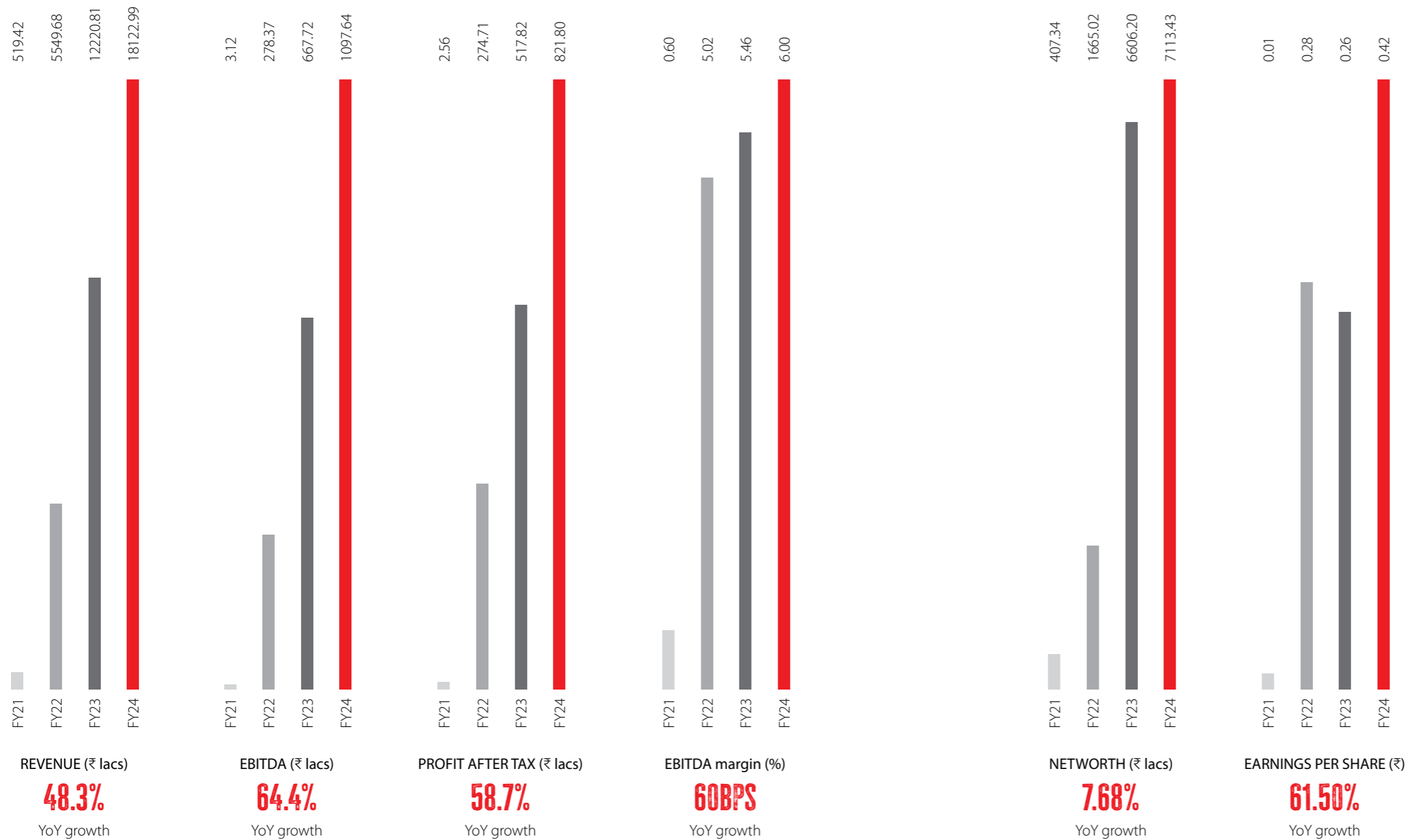
NET PROFIT GROWTH
3-YR CAGR

62.26%

NET WORTH GROWTH
3-YR CAGR

KEY PERFORMANCE INDICATORS

Swiss Military has recently demonstrated remarkable improvement in its performance, solidifying its position in its business space. This enhanced performance is attributed to several strategic initiatives and a steadfast commitment to excellence.



OUR EMINENT BOARD



Ashok Kumar Sawhney

Chairman, Non-Executive Director in the category of Promoter

Mr. Ashok Kumar Sawhney, aged about 85 years, is a Director of the Company. He is instrumental in making 'Swiss Military' a globally recognised, renowned and celebrated brand. He is a visionary, eminent author, poet and entrepreneur. He has been felicitated with innumerable accolades for his unique sense of entrepreneurship. The 'Udyog Patra' Award by the Institute of Trade and Industrial Development in 2003. In 2012, the 'Lifetime Achievement Award' was by Samaya Bharati, Asia's leading monthly watch trade magazine. The 'Samay Ratna' award for his services as the president of the All-India Watch Association. India CSR, the world's most popular CSR Network, has honoured him with the Lifetime Achievement Award for his excellent service to the society and people of India.



Anuj Sawhney

Managing Director

Mr. Anuj Sawhney, aged about 50 years, is a Promoter Director of the Company. He graduated with a B.Com (Honours) from Sri Ram College of Commerce, Delhi. He has completed his Masters of Business Administration from Owen Graduate School of Commerce, Vanderbilt University in Nashville, Tennessee. He has extensive experience of around 23 years in all spheres of running a global brand, "Swiss Military," worldwide.



Ashita Sawhney

Non-Executive Director in the category of Promoter

Mrs. Ashita Sawhney, aged about 51 years, is a Promoter Director of the Company. She graduated with a B.A (Honours) from Jesus & Mary College, Delhi. She has around 14 years of experience in business development, lifestyle branding, and related business.



Rajesh Tuteja

Non-Executive Director in the category of Independent Director

Mr. Rajesh Tuteja, aged about 62, is a non-executive director appointed as an independent director of the company. He is a qualified Chartered Accountant and Company Secretary with a Law degree. He was an IRS officer who retired as Director General of Income Tax in 2020. He has over 31 years of experience in different administrative capacities for managing income tax taxation, investigation, and intelligence.



Surendra Kumar Bhagat

Non-Executive Director in the category of Independent Director

Mr. Surendra Kumar Bhagat, aged about 66 years, is a Non-Executive Director appointed in the capacity of an Independent Director of the Company. He holds a degree in Masters in Political Science from Hindu College, Delhi. He was an IPS officer. Before taking over as Director General of the Railway Protection Force, he served as SP/SSP of several UP districts: SP and DG CRPF J&K Zone. He has received several awards, including Kathin Sewa Padak and the President's Police Medal for Distinguished Service.



Chirag Gupta

Non-Executive Director in the category of Independent Director

Mr Chirag Gupta, aged about 36, is a Non-Executive Independent Director of the Company. He is a qualified Chartered Accountant. He has over ten years of diversified experience in Financial Planning and Analysis, Budgeting, Financial Controlling, etc., in various brands across Indian Corporates and MNCs.



Inder Dutt

Non-Executive Director in the category of Independent Director

Mr Inder Dutt, aged about 80 years, is a Non-Executive Independent Director of the Company, He holds a Graduate degree from Panjab University, Chandigarh. He joined Panjab Police in 1966 & also got elevation to Indian Police Service (Haryana Cader) in year 1994. He served as Superintended of police Anti-corruption Bureau and C.M Haryana security in Chandigarh & in Haryana Bhawan Delhi. He is the recipient of several awards, including President Police Medal for Meritorious Service from President of India and commendation certificate for hard work, honesty, efficiency & dedication towards duty from C.M. Haryana

MANAGEMENT DISCUSSION & ANALYSIS



INDIAN ECONOMY

FLYING HIGH DESPITE TURBULENCE

Despite the various turbulences in the world economy, including geopolitical tensions, supply chain problems and inflation, the Indian economy showed unexpected reliance and growth. India's economic performance in FY24 flew high, outpacing initial projections by the Reserve Bank of India. The nation's GDP grew by an impressive 8.2%, with real GDP estimated to reach ₹173.82 lakh crore, up from ₹160.71 lakh crore in FY23. Significant contributions across various sectors of the economy drove this robust growth.

Primary Sector

The primary sector, which includes agriculture and mining, recorded a growth of 2.1%. The agriculture segment grew by 1.4%, reflecting stability despite climate change induced challenges. The mining sector experienced a substantial growth of 7.4%, a significant increase from the 1.9% growth recorded in FY23. This growth is attributed to enhanced production capabilities and favourable market conditions.

Secondary Sector

The secondary sector, encompassing manufacturing, electricity, and construction, expanded by 9.7%. Manufacturing witnessed a remarkable turnaround with a 9.9% growth, rebounding from a 2.2% contraction in FY23. The electricity sector also posted a solid performance, growing by 7.5%, while the construction sector continued its strong growth trajectory with a 9.9% increase. These figures highlight the sector's role in driving industrial activity and infrastructure development.

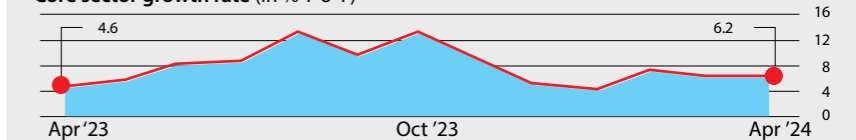
Index of Eight Core Industries

The combined Index of Eight Core Industries (ICI) recorded a provisional growth of 6.2% in April 2024 compared to the same period in the previous year. This positive trend reflects significant increases in the production of key industries, including electricity, natural gas, coal, steel, refinery products, crude oil, and cement.

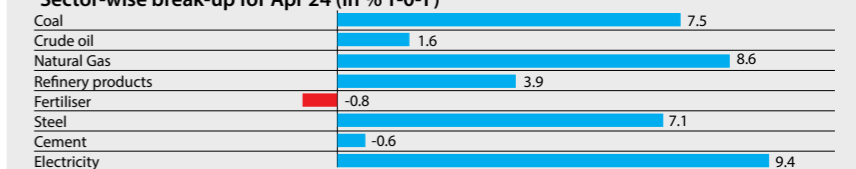
This robust growth makes India the 5th largest economy globally and is projected to rise to 3rd by 2027. India's economy is poised for continued strong growth in the coming years. This outlook is bolstered by robust public investment in infrastructure and sustained private consumption.

THE TREND

Core sector growth rate (in % Y-o-Y)



Sector-wise break-up for Apr 24 (in % Y-0-Y)



Source: DPIIT

INDIAN BAG AND LUGGAGE INDUSTRY

TRAVEL READY WITH LOOKS & FUNCTIONALITY

Key Shift: The Indian luggage market has undergone a significant transformation, adapting to the evolving demands of modern travellers who seek style, functionality, and innovation. This shift is evident in the influx of newly designed and packaged travel luggage featuring novel designs, vibrant hues, advanced technology, and practical accoutrements. The emphasis on aesthetics and functionality is reshaping how consumers approach travel, making "the look" a crucial aspect of travel gear.

This trend has led to the emergence of a plethora of designs, materials, and features, catering to various segments of the population—from budget-conscious travellers to luxury-seeking individuals.

Market Landscape: According to a report by Statista, the luggage and bags market in India will be valued at \$15.04 billion in 2024. Key insights from the report indicate that 87% of the luggage sold in 2024 will be non-luxury, reflecting the dominance of affordable options in the market. Despite the relatively small percentage of Indians purchasing deluxe luggage, the sheer volume is substantial given the country's large population. India's burgeoning middle class and

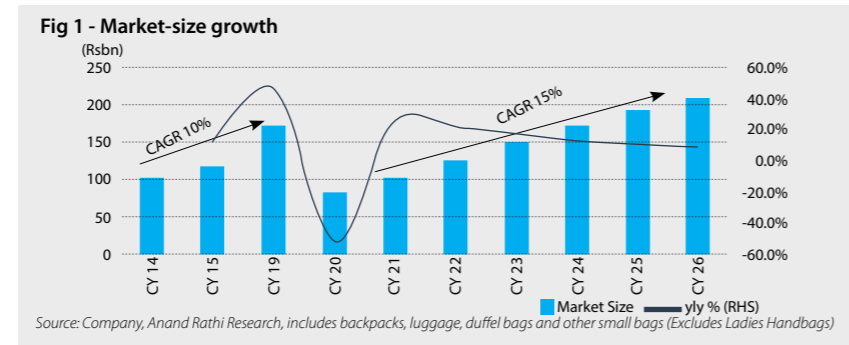
increasing travel aspirations are driving a surge in demand for premium luggage and totes.

Opportunities: The Wealth Report 2023 predicts a 58.4% increase in India's high-net-worth individuals with a net worth exceeding US\$30 million over the next five years. This projection underscores the potential for growth in the luxury luggage segment, even if it currently represents a smaller market share.

The Indian luggage and bags market is poised for robust growth, with an estimated 15% CAGR between 2024 and 2030. Several factors contribute to this optimistic outlook. The growth in domestic and international tourism, supported by government initiatives and

promotional efforts from other countries, is driving an increase in travel within India and abroad. The expanding middle-class population and rising disposable income also boost consumer inclination towards high-quality luggage and bags for travel and everyday use.

Urbanisation trends, changing lifestyles, and the booming e-commerce sector further propel market expansion by providing consumers with greater access to a diverse range of products. India's evolving fashion consciousness and the desire for stylish yet functional luggage drive innovation and diversity in the market. Consumers increasingly seek durable and convenient products that reflect their style and preferences.



INDIAN HOME APPLIANCES MARKET

SEEKING SMART SOLUTIONS

Market Landscape: The Indian household appliances market is one of the fastest-growing sectors in the country, driven by a burgeoning economy, evolving consumer lifestyles, and increasing urbanisation. The market reached ~ US\$77.74 billion in 2023 and is expected to grow at a 5.7% CAGR between 2024 and 2032, reaching US\$127.07 billion by 2032. This growth is underpinned by several key factors and trends shaping the industry landscape.

Key Growth Drivers

- 1. Technological Advancements:** The introduction of cutting-edge technologies such as artificial intelligence (AI) and the Internet of Things (IoT) is revolutionising the home appliances market. Smart features and automation are increasingly becoming standard in appliances, offering enhanced convenience and energy efficiency.
- 2. Rising Disposable Income:** The increasing disposable income of Indian households is significantly boosting purchasing power, enabling consumers to invest in advanced and premium home appliances. Easy access to credit further facilitates this trend.
- 3. Urbanisation and Connectivity:** Rapid urbanisation and improved connectivity in rural areas are expanding the market reach for home appliances. These factors are making appliances more accessible and affordable for a larger segment of the population.
- 4. Energy Efficiency and Sustainability:** There is a growing emphasis on energy-efficient products driven by consumer awareness and regulatory

measures. Energy-efficient appliances not only reduce electricity bills but also contribute to environmental sustainability.

5. Digital Penetration and E-commerce:

The COVID-19 pandemic accelerated the shift from brick-and-mortar stores to online retailing. The increasing penetration of digital platforms makes it easier for consumers to explore, compare, and purchase a wide range of appliances from the comfort of their homes.

Market Segmentation and Trends

- Smart and Advanced Features:** Consumers seek appliances that offer automation, remote control and integration with other smart home devices.
- Premium Appliances:** There is an increasing demand for premium appliances that offer superior performance, aesthetics and durability.
- Growth in Specific Categories:** The market is expected to see significant growth in the sales of refrigerators and air conditioners, particularly driven by hotter-than-usual weather conditions predicted across the country. About 50% of Indian households currently own a microwave oven, and 33% own a refrigerator, indicating substantial room for market penetration.
- Government Initiatives:** Policies like the National Policy on Electronics (NPE) is expected to drive the industry's growth. With this policy the government aims at positioning India as a global hub for Electronics System Design and Manufacturing by creating an

enabling environment for the industry to compete globally. The Indian government has also approved 100% foreign direct investment (FDI) in the sector via the automatic route, further boosting the market.

Opportunities and Challenges

- Untapped Market Potential:** Compared to neighbouring countries, the penetration of home appliances in India remains relatively low. This presents a substantial opportunity for growth, especially in rural and semi-urban areas.
- Challenges in Consumer Awareness:** A major challenge in the Indian market is consumers' low level of awareness regarding the benefits of modern and energy-efficient appliances. There is a need for increased consumer education and targeted marketing campaigns to bridge this gap.
- Impact of Economic Conditions:** The growth of the home appliances market is closely tied to the overall economic situation. An improving economy and easing inflationary pressures are expected to drive further growth in consumer demand.

Future Outlook

The home appliances market in India is poised for robust growth, supported by favourable economic conditions, technological advancements, and changing consumer preferences. With an improving economic situation and rising disposable income, the demand for high-quality and innovative appliances is set to increase. Government initiatives and policies will continue to play a crucial role in shaping the market landscape, attracting investments, and promoting sustainable growth.

MEN'S INNERWEAR MARKET

ELEVATING ESSENTIALS WITH STYLE AND COMFORT

Key Shift: The growth of the innerwear market in India is closely linked to evolving consumer behaviour. Today's consumers are more conscious of their appearance, comfort, and well-being. They prioritise innerwear that offers a perfect fit and superior comfort and complements their lifestyle. This shift has transformed innerwear from merely functional clothing to a key aspect of fashion choices. As a result, the market has seen a surge in demand for premium and niche innerwear catering to specific consumer requirements.

Market Landscape: The men's innerwear market in India, valued at approximately ₹48,123 crore, represents a significant portion of the overall innerwear industry. The men's category contributes around 39% of this market. **Innovations and Fabric Technology:** Fabric innovation has become essential as consumers demand innerwear that is not only comfortable but also functional. While still popular, traditional cotton is being supplemented by advanced materials like Tencel Modal Micro, which is known for its luxurious feel, moisture-wicking properties, and durability. These fabrics offer better performance, including zero pilling, shrinkage resistance, and improved colour retention after multiple washes. However, as these innerwear are priced higher than regular ones, they are not yet widely accepted, as India is largely a price-sensitive market.

Market Segmentation: The men's innerwear market in India is categorised into several segments based on price points: low, economy, mid-market,

premium, and super-premium. Product categories within these segments include briefs, trunks, vests, boxer shorts, and emerging segments such as athleisure, nightwear, and swimwear. Multi-brand outlets (MBOs) account for over 60% of total sales, with the balance distributed through modern trade formats and online portals.

Key Risks & Challenges

- **Extended Usage Beyond Shelf Life:** A sizeable segment of Indian men continue to use their innerwear well past their recommended shelf lives, often unaware of rips, tears, or loss of elasticity. Ideally, innerwear should be used for 30 washes to maintain comfort and hygiene.

- **Conventional Industry Practices:** The Indian innerwear industry has largely remained conventional in its approach to colours and designs, with limited innovation. While there has been some increased accessibility to premium fabrics, the industry has slowly adopted new trends and technologies.

- **Low Consumer Awareness:** There needs to be more awareness among consumers regarding the longevity and care of innerwear. Many are unaware of the existence and benefits of superior quality fabrics such as Modal, Tencel, and Supima. Proper wash care instructions and fabric benefits are not well known.

- **Generalised Marketing Campaigns:** Advertising, packaging, and marketing campaigns in the innerwear sector are often generalised and similar across brands. This lack of differentiation fails

to create a sense of aspiration, limiting products to a mere necessity rather than a desirable item. Only one brand in India has successfully positioned itself as an aspirational innerwear brand.

Growth Projections

The innerwear market in India is expected to grow at a 10% CAGR in the coming years. This growth is fuelled by increasing personal income, higher discretionary spending, and rising fashion consciousness among consumers. The shift towards e-commerce and omnichannel distribution models will continue to drive demand, with online platforms expected to contribute significantly to sales growth.



COMPANY OVERVIEW

A WORLD-CLASS ENTERPRISE

Headquartered in New Delhi, India, Swiss Military Consumer Goods Limited (formerly Network Limited) has been a key player in the lifestyle products market since its incorporation in January 1989. Following a significant transition in September 2020, the company was taken over by its current promoters, who have propelled it to new heights in a relatively short period.

Swiss Military trades and markets a diverse range of lifestyle products, including various luggage and travel gear, home appliances and men's innerwear. Our success is driven by our dedicated team of over 100 professionals led by Mr. Ashok Kumar Sawhney, Chairman.

To stay close to our customers and meet their needs efficiently, we maintain a robust distribution network of over 1,000 dealers. Our products are prominently displayed and sold in over 3,000 retail shops, including Multi-Brand Outlets (MBOs) and Modern Trade Stores across India, under the renowned brand name 'Swiss Military'. Complementing our strong physical market presence, we have established a significant digital footprint in the e-commerce segment. Our products are available on all major online retail platforms and our online portal.

The luggage and travel gear segment is the key area of our business, catering to a broad demographic, including young individuals, corporate and leisure travellers, tourists, and pilgrims. We focus on launching innovative products that meet the evolving needs of our customers' diverse lifestyles. Our products undergo rigorous testing to ensure reliable performance and are supported by a robust after-sales service network.

In the home appliances sector, we offer a wide range of products designed to enhance daily living. Our portfolio includes entertainment devices such as TVs and practical household items like irons, dehumidifiers, blenders, OTGs, electric kettles, and ceiling fans. Operating on an asset-light model, we source these products from Original Equipment Manufacturers (OEMs) who adhere to our stringent quality standards and specifications, ensuring consistent product quality and reliability.

Among our product offerings, men's innerwear stands out as a high-growth

category. Despite facing intense competition, we leverage technological innovation and advancements to continually enhance our performance in this space, making our innerwear products some of the most widely used brands in the market.

Swiss Military's continued success is a testament to our commitment to quality, innovation, and customer satisfaction. As we look to the future, we remain dedicated to expanding our market presence, enhancing our product offerings, and delivering exceptional value to our customers and stakeholders.



KEY BUSINESS INITIATIVES

1. Rights Issue Announcement:

The Company is in the process of fund raising by way of a rights issue of 3,93,18,798 Equity Shares (Face value of ₹2/- each), to be issued at a price of ₹12.50/- per fully paid-up Equity Share (including a premium of ₹10.50/- per fully paid-up Equity Share) in the right entitlement ratio of 1:5 to the eligible shareholders as on record date to

be decided for this purpose, for an aggregate amount of ₹49.15 Crore subject to applicable regulatory & statutory approvals.

This capital will support our incremental working capital needs & strategic expansions, particularly the establishment of a new manufacturing facility through our wholly-owned subsidiary, SM Travel Gear Private Limited.

The decision to opt for a Rights Issue reflects our commitment to maintaining financial prudence while ensuring that we have the necessary resources to execute our strategic growth plans effectively. This method of fundraising allows us to leverage the support of our existing shareholders, providing them with the opportunity to participate in our company's expansion and share in its future success.

Utilization of Funds:	
Particulars	Amount (in ₹Lakh)
To meet the incremental working capital requirement of the Company	1971.41
To equip SM Travel Gear Private Limited with plant and machinery for producing high-quality luggage and travel gear	2450.58
General Corporate Purposes	457.86
Issue related expenses	35.00
Gross Proceeds from the Issue	4914.85



2. Acquisition of Strategic Assets:

The company have acquired a strategically located land & building in Sector 24 of the Industrial Hub at Faridabad, Haryana. This acquisition involves land and building with an approximate area of 1.21 acres &

a built-up area of about 85,000 sq. feet, purchased for INR 29.53 Crores.

This acquisition marks a pivotal step in our strategic expansion, aligning with the 'Make in India' initiative. The land & building is earmarked for a new

manufacturing facility for high-quality luggage and travel gear intended, to cater to both Domestic and International markets. This will enhance our capability to meet exponentially growing market demand for our products as well as expand our market footprint globally.

3. Details of Proposed New Manufacturing Facility:

- Capacity: Approx. 10 lakh pcs per year
- Completion Target: On or before December 31, 2024.
- Total Investment: Upto INR 56.50 Crores (inclusive of land, building, plant, machinery, and working capital)
- Financing Details:
 - Internal accruals: Upto INR 12 Crores
 - Term Loan: Upto INR 20 Crores from ICICI Bank
 - Proceeds from proposed Rights Issue: Upto INR 24.5 Crores

4. Expected Benefits from Proposed New Manufacturing Facility:

This strategic investment in proposed manufacturing facility will be a steep step towards product innovation and growth. The new manufacturing facility represents a pivotal investment in Company's future and positions the Company for sustained success in the dynamic & ever-growing Travel Gear market.

This proposed investment in the Luggage Manufacturing facility will offer several benefits, both tangible and intangible:

- **Revenue Generation:** Having Company's own manufacturing facility will be a profitable venture. Revenue from sales can be a significant benefit.
- **Cost Savings:** The facility will produce products at a lower cost compared to sourcing it from external suppliers, it can lead to cost savings in the long run.

- **Control Over Quality:** With an in-house manufacturing facility, Company will have direct control over the production process, ensuring that the quality of the products meets our standards and specifications.

- **Customization:** Having our own manufacturing facility allows company to customize products according to customer preferences, which can be a competitive advantage in the market.

- **Supply Chain Management:** Owning the manufacturing process gives Company better control over your supply chain, reducing dependency on external suppliers and mitigating risks associated with supply chain disruptions.

- **Brand Reputation:** Manufacturing our own luggage can enhance our brand reputation, signalling to customers that you have control over the entire

production process and ensuring quality standards are met.

- **Vertical Integration:** Owning the manufacturing facility will vertically integrates business operations, potentially leading to increased efficiency and flexibility in responding to market demands.

- **Research and Development:** Investing in a manufacturing facility provides opportunities for research and development, allowing for innovation in materials, design, and production processes.

- **Sustainability:** By owning the manufacturing process, Company can implement sustainable practices and reduce environmental impact, aligning with growing consumer preferences for eco-friendly products.



FUTURE STRATEGIC FOCUS:

Looking forward, we remain committed to leveraging our strengths to explore new markets and further enhance our product lines.

Our strategic objectives for the upcoming year include:

- **Expanding Market Reach:** We aim to penetrate deeper into emerging markets, enhancing our global footprint and responding to the increasing demand for high-quality travel gear and accessories.
- **Product Innovation:** We will accelerate our product development efforts to introduce various new products, including our global best-seller luggage

and backpack ranges, gas stoves, and cooktop ranges, in the coming year. Our focus will be on integrating advanced technologies and responding to emerging consumer trends to maintain our competitive edge.

- **Operational Excellence:** We will continue to streamline our operations to improve efficiency and reduce costs. Our investment in the new manufacturing facility is expected to significantly contribute to these efforts by localizing production and minimizing logistical overheads.
- **Sustainability Initiatives:** In alignment with global trends and consumer

preferences, we will intensify our efforts towards sustainability. This includes optimizing our manufacturing processes and exploring eco-friendly materials and technologies.

- **Strengthening Brand Equity:** We will invest in marketing strategies and brand-building activities to further solidify Swiss Military's position as a leader in the market. Enhancing our brand perception will remain a key focus to attract new customers and retain existing ones.

SWOT ANALYSIS

STRENGTHS

- Swiss Military maintains a debt-free status, ensuring long-term business sustainability and financial stability.
- Strong market reach through an omnichannel presence, integrating physical retail and e-commerce platforms effectively.
- Ability to cater to a wide range of customers, offering products that span various price points and lifestyles.
- Long and diverse business expertise across three verticals and more, driven by experienced leadership and a dedicated team.
- Operating on an asset-light model with manufacturing outsourced to partner organisations, enhancing flexibility and scalability.
- Extensive distribution network with over 1,000 dealers and a significant presence in more than 3,000 retail outlets across India

OPPORTUNITIES

- The emergence of organised retail and e-commerce in India presents new growth opportunities for expanding market presence.
- The growing purchasing power of the Indian middle class and rapid urbanisation drive demand for premium and branded products.
- Continuous innovation and diversification in product offerings can attract new customer segments and increase market share.
- Partnership with a reputed and globally recognised brand enhances market credibility and provides easier access to international markets.
- Leveraging cutting-edge technology to improve product quality, operational efficiency, and customer experience.
- The new facility will give the company control over manufacturing operations.

WEAKNESSES

- Dependence on external manufacturing partners exposes the company to potential supply chain disruptions, hindering growth.
- Large exposure to e-commerce can result in higher returns and refunds, impacting profitability.
- Reliance on outsourced vendors for manufacturing may lead to quality control issues and inconsistencies in product standards.

THREATS

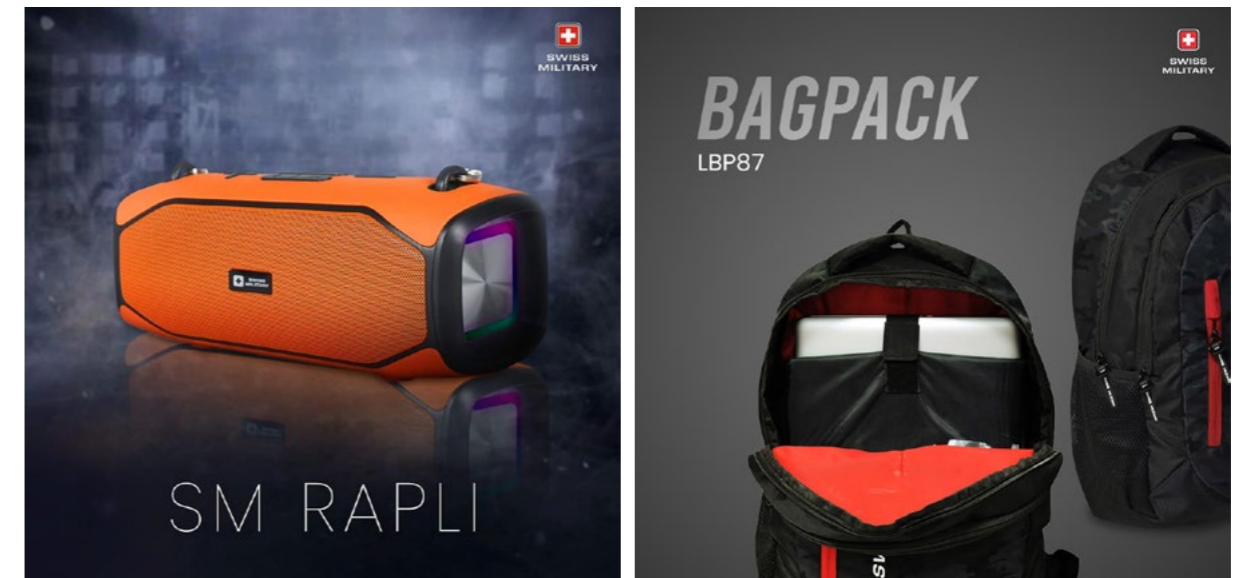
- Facing stiff competition from organised and unorganised players in all three business divisions can impact market share and profitability.
- Economic downturns or fluctuations can affect consumer spending and overall market demand, posing risks to business growth.
- Potential changes in trade policies, import regulations, and taxation laws can impact operational costs and business sustainability.
- Rapidly changing consumer preferences and trends require continuous adaptation and innovation to stay relevant in the market.
- Any disruptions in the supply chain, such as geopolitical tensions, natural disasters, or logistical challenges, can adversely affect product availability and delivery timelines.



FINANCIAL PERFORMANCE

Summary of financial performance

Particulars	For the year ended 31-03-2024 (₹ Lac)	For the year ended 31-03-2023 (₹ Lac)	Y-o-Y growth (%)
Revenue from Operations	18122.99	12,220.81	48.30%
Other Income	238.38	82.65	188.22%
Total Revenue	18361.37	12,303.47	49.24%
Earnings before interest, taxes and Depreciation & Amortisation	1097.62	667.71	64.39%
Earnings before Interest & Tax	1076.32	652.79	64.88%
Profit before Taxation	1076.32	652.79	64.88%
Current Tax	254.36	134.69	88.58%
Deferred Tax	0.18	0.29	-37.93%
Net Profit/(Loss) for the year	821.78	517.81	58.70%



Following are important ratios for FY 2024:

Particulars	FY 2022	FY 2023	FY 2024
Profitability Ratios			
EBITDA Margin	5.02%	5.46%	6.06%
EBIT Margin	4.95%	5.34%	5.94%
Net Profit Margin	4.95%	4.24%	4.53%
Growth Ratios			
Total Revenue	963.13%	120.89%	48.30%
Ebitda	8822.12%	139.87%	64.39%
Ebit	10624.61%	137.77%	64.88%
Net Profit	10630.86%	88.50%	58.70%
Net Worth	308.75%	296.76%	7.68%
Liquidity Ratios (Times)			
Current Ratio	2.19x	10.73x	4.63X
Return Ratios			
Return on Equity	16.50%	12.52%	11.98%
Return on Capital Employed	16.49%	15.78%	15.72%
Return on Assets	10.29%	7.16%	9.21%
Efficiency Ratios			
Asset Turnover (Times)	2.09x	1.69x	2.03x
Receivable Turnover (Times)	7.66x	8.56x	5.83x
Receivable Days	48	43	63
Inventory Turnover (Times)	11.65x	7.07x	8.33x
Inventory Days	31	52	44
Payables Turnover (Times)	21.55x	22.51x	10.14x
Payable Days	17	16	36
Cash Conversion Cycle	62	78	70

RISK MANAGEMENT

MANAGING BUSINESS UNCERTAINTIES

Business risks are constantly evolving in a rapidly changing business environment with dynamic customer requirements. As a result, there is significant variation in the emerging risks landscape across businesses.

We at Swiss Military continuously monitor the internal and external environment to identify potential emerging risks and their impact on our business.

Our risk management framework ensures the identification of emerging risks and is flexible enough to accommodate decentralised risk management practices.

Operational risk

As our manufacturing needs are primarily met through external partners, any conflict with these partners or disruptions at their end, whether known or unforeseen, can pose significant operational risks to our company.

Mitigation measures

We have strategically diversified our manufacturing operations across multiple vendors throughout India. This approach ensures that issues at any facility are unlikely to impact our operations. As of FY24, we have many outsourcing partners and plan to increase this number in FY25, further enhancing our operational resilience.

To reduce our dependence on outsourcing vendors, we have invested in a greenfield facility for travel gear in Faridabad, Haryana. This will ensure that we are in full control of the manufacturing of our products.

Competition risk

Our company faces intense competition from organised and unorganised players across all three divisions. Failure to effectively counter this competition could negatively impact our revenue and profitability.

Mitigation measures

We remain competitive by emphasising superior product quality, cost optimisation, prompt delivery, a robust distribution network, and a strong online presence. These strategies enable us to hold our market share against major players in the market and maintain our market position. Every year, we rejuvenate our product basket with new SKUs aligned with customer needs and market trends, allowing us to stay ahead of the competitive curve.

Market penetration risk

The presence of numerous retail players, online and offline, makes gaining and sustaining market share challenging. This could potentially impede the Company's long-term growth.

Mitigation measures

We strategically invest in brand promotion and social media campaigns to strengthen brand recall and enhance our market presence. By highlighting the benefits of our products and how they improve customers' quality of life, we not only retain our existing market share but also attract new customers.

Technology risk

In today's rapidly evolving technological landscape, outdated technology can hinder innovation, disrupt information

flow, compromise data security, and reduce productivity.

Mitigation measures

Our company stays at the forefront of technological advancements. This commitment helps us develop higher-quality products, enhance productivity, improve staff coordination, achieve financial savings, and secure data more effectively.

We implemented SAP as our ERP solution and a comprehensive data management system in the last few years. We also invested significantly in automated storage facilities to streamline logistics operations, and we plan to continue investing in technology to drive future growth.

Financial risk

Financial risks, including credit, investment, and liquidity risks, can lead to capital losses and negatively impact the company's operations. These risks may arise from customer defaults, profitability declines, and revenue decreases.

Mitigation measures

Financial discipline is ingrained in our corporate culture. We closely monitor financial metrics such as cash flow and profitability ratios to understand the company's financial health. Our skilled employees and qualified management team regularly analyse these metrics and take immediate action to address any anomalies. This proactive approach ensures a stable financial position, allowing the company to focus on growth while maintaining financial stability year after year.



INTERNAL ADEQUACY AND CONTROL

The Company considers that internal control is one of the key supports of governance, which provides freedom to the management within an outline of appropriate checks and balances. Our Company has a strong internal control framework, which was instituted considering the business's size, nature and risk. The Company's internal control environment provides assurance on the efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness

of accounting records, timely preparation of authentic financial information and compliance with applicable laws and regulations. The Internal Auditor is responsible for conducting a regular Internal Audit and reporting to the management on the lapses, if any, and submitting the Report periodically to the Board of Directors for their review and comments. Fully professional and experienced boards, as mentioned in the corporate overview section, ensure efficient internal control. To warrant

an efficient internal control system, the Company has a well constituted Audit committee that, at its periodical meeting, reviews the competence of the internal control system and Procedures, thereby suggesting improvement in the system and process as per the changes in Business dynamics. The system and process are continuously improved by adopting best-in-class processes and automation and implementing the latest IT tools.

CAUTIONARY STATEMENT

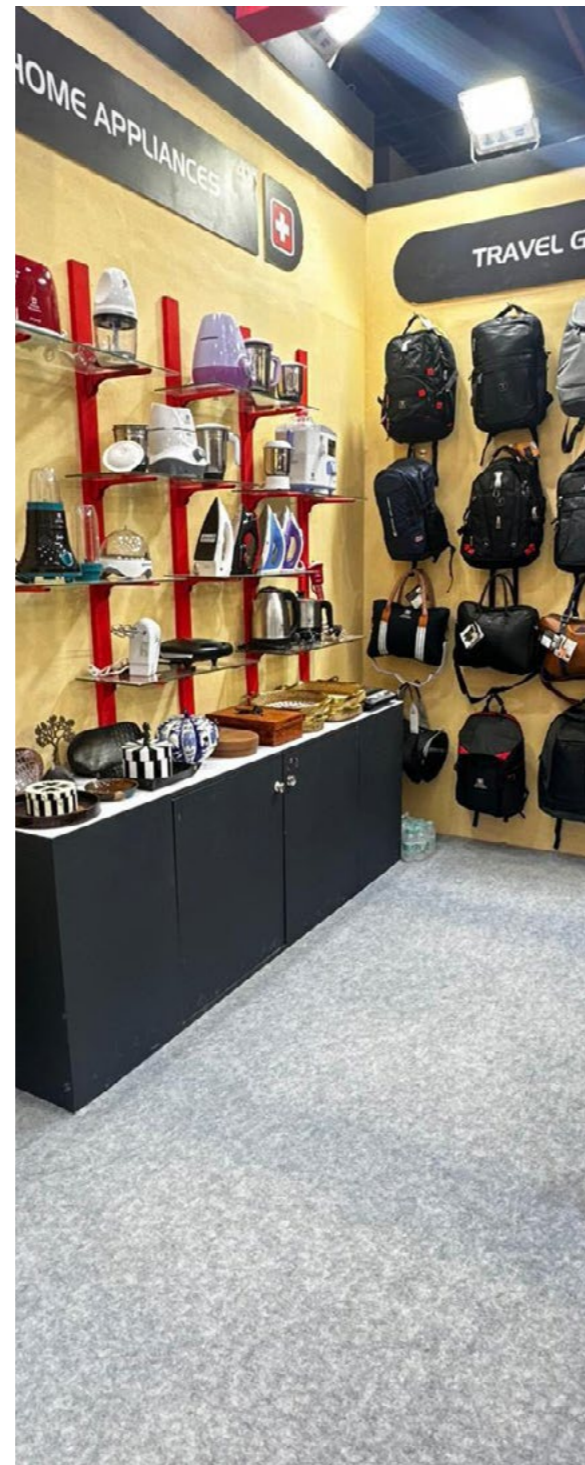
The above Management Discussion and Analysis contains certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to several risks and uncertainties, and the actual results could materially differ from those in such forward-looking statements. The risks and uncertainties relating to these statements include but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost overruns on contracts, government policies and actions concerning investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness. However, the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time on behalf of the Company.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ashok Kumar Sawhney	Chairman [Non-Executive, Non-Independent Director]
Mr. Anuj Sawhney	Managing Director
Mrs. Ashita Sawhney	Non-Executive, Non-Independent Director
Mr. Surendra Kumar Bhagat	Non-Executive, Independent Director
Mr. Rajesh Tuteja	Non-Executive, Independent Director
Mr. Inder Dutt	Non-Executive, Independent Director
Mr. Chirag Gupta	Non-Executive, Independent Director

Chief Financial Officer	Mr. Vijay Kalra
Company Secretary	Mr. Vikas Jain
Statutory Auditors	B.K. Sood & Co., Chartered Accountants
Secretarial Auditors	AM & Associates, Company Secretaries
Bankers	State Bank of India HDFC Bank Limited ICICI Bank Limited
Registered Office	W- 39, Okhla Industrial Area Phase- II, New Delhi-110020 Tel. : 011- 41067060
Corporate Office	JMD Megapolis 621-624, 6th floor Sector 48, Sohna Road Gurugram, 122001
Registrar and Share Transfer Agent	Alankit Assignments Ltd. Alankit House, 1E/13 Jhandewalan Extension



DIRECTORS' REPORT

To,
The Members of

SWISS MILITARY CONSUMER GOODS LIMITED

The Board of Directors is delighted to present the 35th Annual Report on the business and operations of Swiss Military Consumer Goods Limited ("the Company") along with the summary of standalone and consolidated financial statements for the year ended March 31, 2024.

In compliance with the applicable provisions of the Companies Act, 2013, ("the Act"), the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this Board's Report is prepared based on the standalone financial statements of the Company for the year under review and also present the key highlights of performance of subsidiary company during the year under review.

OVERVIEW OF FINANCIAL PERFORMANCE

Key highlights of consolidated and standalone financial performance for the year ended March 31, 2024, are summarized as under:

(₹ in Lacs)

PARTICULARS	Consolidated		Standalone	
	31 st March 24	31 st March 23	31 st March 24	31 st March 23
Revenue from operations	19176.43	12999.94	18122.99	12220.81
Other Income	163.90	87.97	238.38	82.65
Total Expenditure	18218.36	12,301.73	17285.05	11,650.67
Profit / (Loss) before Tax & Exceptional Items	1121.97	786.19	1076.32	652.80
Exceptional Items	-	-	-	-
Profit / (Loss) after Tax & Exceptional Items	834.85	617.62	821.78	517.82
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income for the period	834.85	617.62	821.78	517.82
Earnings Per Share - Face value of ₹2/- each	0.42	0.31	0.42	0.26

Consolidated Basis for FY 2023-2024:

The Company has recorded a 44.55% growth in turnover and 42.71% growth in earnings during the Year ended FY 2023-24 in comparison of turnover and earnings during the corresponding Year ended 2022-23 on Consolidated basis.

Standalone Basis for FY 2023-2024:

The Company has recorded a 48.30% growth in turnover and 64.88% growth in earnings during the Year ended FY 2023-24 in comparison of turnover and earnings during the corresponding Year ended 2022-23 on Standalone basis.

The Company have achieved another strong financial year, thanks to robust turnover growth and significant strategic initiatives. Company has been hyper focused on maintaining its brand legacy while being deeply committed to fostering innovation and championing sustainability. With an unwavering attention to customer satisfaction, streamlined operations & product development, Company believes that it can provide excellent value to customers at reasonable prices while optimising returns to its shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis, as required in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), is annexed to this Report.

The details of operating performance of the Company for the year, the state of affairs and the key changes in the operating environment have been analyzed in the Management Discussion and Analysis section which forms a part of the Annual Report.

Further, the Company is not in the top 1,000 Companies list based on the Market Capitalization as on 31 March, 2022, 31 March, 2023 and 31 March, 2024 the Business Responsibility and Sustainability Report (BRSR) is not applicable to the Company.

DIVIDEND

Dividend Distribution Policy

The Dividend Distribution Policy as adopted and formulated by the Board in terms of Regulation 43A of the Listing Regulations is available on the website of the Company at the link: <https://swissmilitaryshop.com/investor-relations/>

Declaration and payment of dividend

The Board is pleased to recommend a dividend of ₹0.10/- per equity share of the Company of ₹2/- each (5%) for the year ended March 31, 2024. The Board recommended dividends based on the parameters laid down in the Dividend Distribution Policy and the dividend will be paid out of the profits for the year.

The Earning Per Share (EPS) of the company for the FY 2023-2024 is ₹0.42 per equity share. In order to expend the business operations of the company the management have decided to plough back the profits of the company and accordingly recommended the dividend of ₹0.10/- per equity share.

The said dividend on equity shares is subject to the approval of the Shareholders at the ensuing Annual General Meeting ("AGM") scheduled to be held on 27th day of September, 2024. The dividend once approved by the Shareholders will be paid within 30 days from the date of approval.

Book closure & Record date

In order to determine the eligibility of shareholders to receive the dividend for the fiscal year ending on March 31, 2024, the record date i.e. Friday, 20th September 2024 has been fixed. The Register of Members and Share Transfer Books of the Company will be closed from 20th September, 2024 to 27th September, 2024 (both days inclusive).

According to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. April 1, 2020, and the Company is required to deduct tax at source from the dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

TRANSFER TO RESERVES

As permitted under the Act, the Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for FY 2023-24 in the profit and loss account.

PUBLIC DEPOSITS

Your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 and 74 of the Companies Act, 2013 and read together with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) for the year ended on 31st March, 2024. Therefore, no amount of principal or interest was outstanding, unpaid or unclaimed as on 31st March, 2024.

RIGHTS ISSUE OF THE EQUITY SHARES OF THE COMPANY

The Board of Directors of your Company at its meeting held on February 13, 2024, inter-alia considered and approved the raising of funds by way of Rights Issue for an amount up to ₹50 crores. Your Company evaluated various options and was of the view that rights issue was an equitable mode of fund raising as it gives its shareholders an equal opportunity to participate in the growth of the Company.

The objects of the Issue are:

1. To meet the incremental working capital requirement of the Company;
2. To invest/infuse funds in our newly incorporated wholly owned subsidiary namely SM Travel Gear Private Limited, for acquisition of plant & machinery for a new manufacturing facility dedicated to producing high-quality luggage & travel gear and also to meet the working capital requirements of the new plant;
3. Adjustment of unsecured loans against the entitlement of Promoter;
4. General Corporate Purposes.

Accordingly, your Company coming out with Issue of 3,93,18,798 fully paid-up equity shares of face value of ₹2/- each (the "rights equity shares") for cash at a price of ₹12.50/- per rights equity share (including a premium of ₹10.50/- per rights equity share) up to ₹50 crores on a Rights basis to the existing eligible equity shareholders in the ratio of 1 Rights equity share for every 5 fully paid-up equity share held by the eligible equity shareholders on the record date, that is on August 09, 2024 (the "issue"). The Rights Issue shall open on August 23, 2024 and shall close on September 06, 2024

SHARE CAPITAL

a) Authorised Share Capital:

The Authorized share capital of your Company as on March 31, 2024 stood at ₹58,50,00,000 (Rupees Fifty-Eight

Crores Fifty Lacs Only) divided into 26,25,00,000 (Twenty-Six Crore Twenty-Five Lacs only) Equity Shares of ₹2/- (Rupees Two only) each and 6,00,000 (Six Lacs only) Preference Shares of ₹100/- (Rupees Hundred only) each.

b) Issued, Subscribed and Paid-up Share Capital:

As on March 31, 2024, the issued, subscribed and paid-up share capital of the Company increased to ₹39,31,87,984/- (Rupees Thirty-Nine Crore Thirty-One Lacs Eighty-Seven Thousand Nine Hundred Eighty-Four Only) divided into 19,65,93,992/- (Nineteen Crore Sixty-Five Lacs Ninety-Three Thousand Nine Hundred Ninety-Two Only) equity shares of ₹2/- (Rupee Two Only) each.

SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY

During the Financial Year 2023-24, company have incorporated a wholly owned subsidiary company i.e. SM Travel Gear Pvt Ltd under Companies Act, 2013, for setting up manufacturing facility of Luggage and Travel Gear.

The Company have Two Wholly Owned Subsidiaries as on 31 March, 2024. The Annual Accounts of the Subsidiary Companies will be made available to any Member of the Company seeking such information at any point of time and are also available for inspection by any Member of the Company at the Registered Office of the Company on any working day during business hours up to the date of the Annual General Meeting. The Annual Accounts of the Subsidiary Companies are also available on the website of the Company at <https://swissmilitaryshop.com/investor-relations/>.

Consolidated Financial Statements

According to Section 129(3) of the Act, the consolidated financial statements of the Company and its subsidiary are prepared in accordance with the relevant Indian Accounting Standard specified under the Act, and the rules thereunder and form part of this Annual Report. A statement containing the salient features of the financial statements of the Company's subsidiaries in Form No. AOC-1, attached herewith as 'Annexure - 1' to this report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries, are available on the website of the Company, at the link: <https://swissmilitaryshop.com/investor-relations/>.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

There have been no material changes or commitments that have affected the financial position of the Company between the close of FY 2023-24 and the date of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Board of Directors:

The Board of the Company is comprised of eminent persons with proven competence and integrity. Besides the experience, strong financial acumen, strategic astuteness, and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation.

During the year under review, the composition of the Board of 7 Directors. As on the date of the report, the Board comprises, 4 Independent, 2 Non-Executive and 1 Executive Director, details thereof have been provided in the Corporate Governance Report.

In terms of the requirement of the Listing Regulations, the Board has identified core skills, expertise, and competencies of the Directors in the context of the Company's businesses for effective functioning. The list of key skills, expertise and core competencies of the Board of Directors is detailed in the Corporate Governance Report.

In the opinion of the Board, all the directors, possess the requisite qualifications, experience and expertise and hold high standards of integrity.

Your Company has well constituted Board, in accordance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Articles of Association of the Company.

Criteria for determining qualification, positive attributes and independence of a director is given under the NRC Policy, which can be accessed at the link - <https://swissmilitaryshop.com/investor-relations/>

b) Appointment/re-appointment of Directors made during FY 2023-24

The Board of Directors on recommendation of the Nomination and Remuneration Committee had recommended the appointment of Mr. Inder Dutt as Non – Executive Independent Director and which has been approved by the shareholders of the Company at the 34th Annual General Meeting held on 15th September, 2023. for a first term of five consecutive years.

c) Appointment / Re-appointment of Directors at ensuing annual General Meeting

In terms of the provisions of the Companies Act, 2013, Mrs. Ashita Sawhney (DIN: 08612232) Non-Executive (Non-Independent) Director of the Company, retires at the ensuing AGM and being eligible, seeks reappointment. A resolution seeking the re-appointment

of Mrs. Ashita Sawhney forms part of the Notice convening the ensuing Annual General Meeting scheduled to be held on 27th September, 2024.

The profile and particulars of experience, attributes and skills of Mrs. Ashita Sawhney together with her other directorships and committee memberships have been disclosed in the annexure to the Notice of the Annual General Meeting.

d) Declaration by Independent Directors

The Company has received necessary declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 25 (8) read with Regulation 16 of Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct for Independent Directors prescribed in Schedule IV of the Act.

e) Statement regarding opinion of the board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year

With regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed/ re-appointed during the Financial Year 2023- 24, the Board of Directors have taken on record the declarations and confirmations submitted by the Independent Directors and is of the opinion that all the Independent Directors are persons of integrity and possess relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of the Company.

f) Pecuniary relationship or transactions with the Company

During the year under review, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committee(s) of the Company.

g) Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business. The Board exhibits strong operational oversight with regular presentations in quarterly meetings.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

The Board of Directors held 4 (four) meetings during FY 2023-24, details thereof have been provided in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.

h) Board Evaluation

In terms of the provisions of the Act read with Rules issued thereunder and Listing Regulations, the Board of Directors in consultation with Nomination and Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, for the Financial Year 2023-24. The Board Evaluation process was carried out to ensure that the Board and various Committees of the Board have appropriate composition and they have been functioning collectively to achieve the business goals of the Company. Directors were evaluated on their contribution at Board / Committee meetings and guidance & support to the management outside Board / Committee meetings and other parameters as specified by the Nomination and Remuneration Committee of the Company. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees. The process of evaluation is explained in the Corporate Governance Report.

i) Committees of Board

In compliance with the requirement of applicable laws and as part of best governance practices, the Company has followed Committees of the Board as on 31st March, 2024:

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee

The details pertaining to the composition, meetings and terms of reference of the aforesaid Committees are included in the Corporate Governance Report which forms part of the Annual Report.

Board has accepted all the recommendations made by the Audit Committee.

j) Familiarization Programme of Independent Directors

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter alongwith necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company endeavors,

through presentations at regular intervals to familiarize the Independent Directors with the strategy, operations and functioning of the Company. The Independent Directors also met with senior management team of the Company in formal/ informal gatherings. The details of such familiarization programs for Independent Directors in terms of provisions of Regulation 46(2)(i) of the Listing Regulations are posted on the website of the Company and can be accessed at <https://swissmilitaryshop.com/investor-relations/>.

k) Key Managerial Personnel

There was no change in the Key Managerial Personnel during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Directors to the best of their knowledge and belief, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with the proper explanation relating to material departures;
- b) such accounting policies have been selected and applied 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 of the Company for that period;
- c) proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d) the annual accounts have been prepared on a going concern basis;
- e) Internal Financial Controls have been laid down to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

Pursuant to Section 134(3)(e) and Section 178(3) of the Act, the Nomination and Remuneration Policy adopted by the Board sets out the criteria for determining qualifications, positive attributes and independence while evaluating a person for appointment / re-appointment as Director or as KMP with no discrimination on the grounds of gender, race or ethnicity, nationality or country of origin, and to also determine the framework for

remuneration of Directors, KMP, Senior Management Personnel and other employees. Detailed information on the nomination and remuneration policy of the company is included in the Corporate Governance Report which forms part of the Annual Report.

PARTICULARS OF EMPLOYEES

Disclosure pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) Ratio of the remuneration of each Director to the Median Remuneration of the Employee's and other details pursuant to Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid disclosure is attached herewith as 'Annexure – 2' to this report.
- b) Details of employee drawing remuneration exceeding limits of Section 197 (12) read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year under review. The aforesaid disclosure is attached herewith as 'Annexure – 2' to this report.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

The Company has not granted any loans, secured or unsecured, guarantee to companies, firm or other parties covered under section 186. Particulars of Investments has been disclosed in financial statement of the Company.

RELATED PARTY TRANSACTIONS

The Company has a Policy on Materiality of Related Party Transaction and dealing with Related Party Transaction which is uploaded on the company's website at the web link <https://swissmilitaryshop.com/investor-relations/>.

All related party transactions that were entered into during the FY 2023-24 were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict of interest of the company at large.

All related party transactions are presented to the Audit Committee Omnibus approval obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented to the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of transactions.

The details of Related party transactions are provided in the accompanying financial statements. Since all related party

transactions entered into by the company were in ordinary course of business and were on an arm's length's basis, Form AOC-2 is not applicable to the company. Further, disclosures as per Ind-AS 24 have been made in note 26 of the financial statements for the year ended March 31, 2024.

CORPORATE SOCIAL RESPONSIBILITY

During the year, the Company was required to spend 2% of the average net profit of the past three financial years and net profit as computed pursuant to Section 198 of Act. The total amount spent during the year was ₹12 Lakhs. The CSR Activities undertaken by the Company were under the thrust areas of Community Healthcare, Sanitation and Hygiene, Education and Knowledge Enhancement and Social Care and Concern. The Annual Report on CSR Activities is annexed herewith as "Annexure-5" forming part of this Annual Report.

The CSR policy of the Company is hosted on the website at <https://swissmilitaryshop.com/investor-relations>.

AUDITORS & AUDITORS OBSERVATIONS

a) Statutory Auditors & Auditors' Report

Based on the recommendation of the Audit Committee and the Board of Directors, Members of the Company at the 33rd Annual General Meeting held on December 15, 2022, re-appointed B.K Sood & Co., Chartered Accountants (Firm Registration No. 000948N), as the Statutory Auditors for the second term of 5 (five) years commencing from the conclusion of the 33rd Annual General Meeting until the conclusion of the 38th Annual General Meeting to be held in the year 2027.

The Statutory Auditors' Report for FY 2023-24 on the standalone and consolidated financial statements of the Company forms part of this Annual Report. Statutory Auditors have expressed their unmodified opinion on the Standalone and Consolidated Financial Statements and their reports do not contain any qualifications, reservations, adverse remarks, or disclaimers.

b) Secretarial Auditor

According to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed AM & Associates, Company Secretaries, to carry out the Secretarial Audit of the Company. The Report of the Secretarial Auditor for FY 2023-24 is attached herewith as Annexure-3. There are no qualifications, observations or adverse remarks, or disclaimers in the said report.

c) Internal Auditor

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, during the year

under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditors of the Company M/s Smita Patni & Associates, Chartered Accountants. They had submitted their reports and findings with the Audit Committee including any observation and follow-up actions thereon.

The Board of Directors of the Company has appointed M/s Smita Patni & Associates, Chartered Accountants, to conduct the Internal Audit as per Rule 13 of the Companies (Accounts) Rules, 2014 prescribed under Section 138 of the Act for the FY 2023-24.

d) Cost Audit

Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Act are not applicable to the business activities carried out by the Company.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Auditors of the Company have not reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would be required to be mentioned in the Board's Report.

EXTRACTS OF ANNUAL RETURN

Pursuant to Section 134 and Section 92(3) of the Act read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the annual return as on March 31, 2024 will be available on the website of the Company at the link <https://swissmilitaryshop.com/investor-relation/>

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company believes in a strong internal control framework, which is necessary for business efficiency, management effectiveness and safeguarding assets. The Company has a well-defined internal control system in place, which is designed to provide reasonable assurance related to operation and financial control. The Management of the Company is responsible for ensuring that Internal Financial Control has been laid down in the Company and that controls are adequate and operating efficiently.

Internal Audit of the Company's operations are carried out by the Internal Auditors and periodically covers different areas of business. The audit scope, methodology to be used, reporting framework are defined well in advance, subject to consideration of the Audit Committee of the Company. The Internal Auditors evaluates the efficacy and adequacy of internal control system, its compliance with operating systems and policies of the Company and accounting procedures at all the locations of the Company. Based on the report of the Internal Auditors, process owners undertake corrective action in their respective

areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are placed before the Audit Committee of the Company. The Internal Audit also continuously evaluates the various processes being followed by the Company and suggests value addition, to strengthen such processes and make them more effective.

VIGIL MACHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or 'Whistle Blower Policy' for directors, employees and other stakeholders to report genuine concerns has been established. The Company has built a reputation for doing business with honesty and integrity over the years and has shown zero tolerance for any sort of unethical behaviour or wrongdoing. The Audit Committee reviews the functioning of the Whistle Blower mechanism on a quarterly basis. During the year under review, no instance has been reported under this policy. Whistle-blower Policy and Code of Business Conduct have been hosted on the website of the Company <https://swissmilitaryshop.com/investor-relations/>

RISK MANAGEMENT

Risk Management is an integral part of our strategy for stakeholders' value enhancement and is embedded in to governance and decision-making process across the Organization. The Company has in place the Risk Management policy to ensure effective responses to strategic, operational, financial and compliance risks faced by the Organization. As per Risk Management Policy all the risks are discussed in detail with the functional heads to identify, evaluate, monitor and minimize the identifiable business risk in the Organization.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is an equal opportunity Company and has zero tolerance for sexual harassment at workplace. It has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. In this regard, the Company has organized a number of interactive awareness workshops for its employees. During the year, no complaints were received under this policy.

CORPORATE GOVERNANCE

The Company is committed to good corporate governance practices. As required by Regulation 34 read with Schedule V of the SEBI Listing Regulations, a separate Report on Corporate Governance forms part of the Annual Report. The Report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013. A certificate from M/s. AM & Associates, Practicing Company Secretary, regarding

compliance of conditions of Corporate Governance as stipulated under Clause E of Schedule V of the Listing Regulations forms part of the Corporate Governance Report.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is attached herewith as Annexure - 4' to this Report.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

No material orders have been passed by any Regulators/ Courts/Tribunals, which has been received by the Company, having impact on the going concern status and the Company's operation in future.

NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited (BSE) with scrip code No. 523558. The Company confirms that the annual listing fees to the stock exchange for the Financial Year 2024-25 have been paid.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Directors state that applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI"), i.e. Secretarial Standard-1 ("SS-1") and Secretarial Standard-2 ("SS-2"), relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by the Company.

EMPLOYEE STOCK OPTION PLAN 2023

During the year under review, the Company had sought approval of the Members at 34th AGM Notice dated August 10, 2023 for the adoption and implementation of 'Swiss Military Consumer Goods Limited – Employee Stock Option Plan 2023' (hereinafter referred to as 'ESOP 2023'/'the Plan') to the eligible employees of company [other than employee who is a promoter or person belonging to the promoter group of the Company, Independent Directors and Director(s) holding directly or indirectly more than 10% of the outstanding equity shares of the Company] in one or more tranches, not exceeding 40,00,000 (Forty Lakh). The Members, vide special resolution passed at 34th Annual General Meeting of the company on September 15, 2023, approved the adoption and implementation of ESOP 2023. The plan seeks to drive long-term performance, retain key talent and to provide an opportunity for the employees to participate in the growth of the Company.

The initiative is being introduced to link the employee's performance in the Company along with other initiatives which would contribute to improve the performance of the Company. The Company views the plan as a long-term incentive tool that would assist in aligning employees' interest with that of the shareholders and enable the employees not only to become co-owners, but also to create wealth out of such ownership in future. The Plan has been formulated in accordance with the provisions of the Act and SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The eligible employees were granted options of ESOPs as on 22nd May 2024, as determined by the NRC, which will be vested as per the approved vesting schedule and are exercisable into fully paid-up equity shares of ₹2/- each of the Company, on the terms and conditions as provided under the Plan, in accordance with the provisions of the applicable laws and regulations for the time being in force.

CYBER SECURITY

In view of increased cyber-attack scenarios, the cyber security maturity is reviewed periodically and the processes, technology controls are being enhanced in-line with the threat scenarios. Your Company's technology environment is enabled with real time security monitoring with requisite controls at various layers starting from end user machines to network, application and the data.

During the year under review, your Company did not face any incidents or breaches or loss of data breach in cyber security.

OTHER DISCLOSURES

- The Company does not have any unpaid / unclaimed amount which is required to be transferred, under the provisions of the Act into the Investor Education and Protection Fund ('IEPF') of the Government of India.
- There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.

- The Company has not issued any shares with differential voting rights and sweat equity shares and hence, no information as required under Section 43(a)(ii) & Section 54(1)(d) of the Act read with applicable rules is required to be disclosed.

HUMAN RESOURCE AND INDUSTRY RELATIONS

Your Company values its employees and believes that the Company's success is a result of the team work of all of its employees. The Human Resource Development team strives to create a positive work environment that influences employees' ability, motivation and creates opportunities for them to perform. Our safe, secure and harassment free work environment encourages high performance work culture with focus on employee health safety, welfare, engagement, development, diversity, productivity, cost and quality. Comprehensive policies of the Company covers the entire spectrum of the life cycle of an employee from recruitment to retention. We are committed to hiring, nurturing and developing exceptionally talented human resources. Company's unique culture and robust People Practices and Policies, inspire and ensure that every employee aspires to grow in the organization.

On the Industrial front, the Company continued to foster cordial Industrial Relations with its workforce during the year. Going forward, the Company will continue to focus on nurturing the right talent to achieve the business goal.

APPRECIATION AND ACKNOWLEDGEMENTS

Your directors acknowledge with sincere gratitude for the trust reposed by all Stakeholders including Customers, Investors, Vendors, Bankers, Auditors, Consultants and Advisors and look forward to their continued patronage. The Directors are also grateful and pleased to place on record their appreciation for the excellent support, guidance and cooperation extended by the Government and State Government Bodies and Authorities and Banks. The Board also expresses its appreciation of the understanding and support extended by the shareholders and the continuing commitment and dedication shown by the employees of the Company.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Ashok Kumar Sawhney	Anuj Sawhney
Chairman	Managing Director
DIN : 00303519	DIN : 00471724

Date: 13th August, 2024
Place: New Delhi

ANNEXURE - 1

FORM NO. AOC.1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts ₹In Lakhs)

Name of the subsidiary	AAA Shenyang Container Seal Pvt. Ltd.	SM Travel Gear Pvt. Ltd.
CIN	U74999DL2018PTC335899	U15121DL2024PTC428359
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01 st April, 2023 to 31 st March, 2024	14 th March, 2024 to 31 st March, 2024
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.	N.A.
Share capital	207.61	1.00
Reserves & surplus	401.83	(0.50)
Total assets	624.54	1.00
Total Liabilities	15.10	0.50
Investments	Nil	Nil
Turnover	668.54	-
Profit before taxation	129.20	(0.50)
Provision for taxation	32.59	-
Profit after taxation	96.61	(0.50)
Proposed/Final Dividend	₹4/- per equity share of the Company of ₹10/- each (40%) for the year ended March 31, 2024	-
% of shareholding	100	100

Part B of the Annexure is not applicable as there are no Associate Companies / Joint ventures of the Company as on March 31, 2024.

For and on behalf of the Board of Directors

Sd/-	Sd/-
Ashok Kumar Sawhney	Anuj Sawhney
Chairman	Managing Director
DIN : 00303519	DIN : 00471724

Sd/-	Sd/-
Vijay Kalra	Vikas Jain
Chief Financial Officer	Company Secretary

Date: 13th August, 2024
Place: New Delhi

ANNEXURE - 2

STATEMENT OF DISCLOSURE OF REMUNERATION

UNDER SECTION 197 OF THE COMPANIES ACT 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- I. Ratio of remuneration of each Director to the median remuneration of all the employees of your Company for the Financial Year 2023-24 in terms of Rule 5(1)(i) and Details of percentage increase in the remuneration of each Director, Chief Financial Officer and Company Secretary in the Financial Year 2023-24 as compared to last year in terms of Rule 5(1)(ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows :-

Name of Director/KMP	Designation	Ratio of Remuneration of Director to the Median Remuneration	Percentage (%) increase in Remuneration
Mr. Ashok Kumar Sawhney	Chairman	Nil	Nil
Mr. Anuj Sawhney	Managing Director	29.53	Nil
Mrs. Ashita Sawhney	Non-Executive Director	Nil	Nil
Mr. Surendra Kumar Bhagat	Non-Executive Independent Director	0.56	33.33%
Mr. Rajesh Tuteja	Non-Executive Independent Director	0.56	33.33%
Mr. Chirag Gupta	Non-Executive Independent Director	0.56	33.33%
Mr. Inder Dutt	Non-Executive Independent Director	0.23	Nil
Mr. Vijay Kalra	Chief Financial Officer	4.22	Nil
Mr. Vikas Jain	Company Secretary	3.51	4.13%

- a) The aforesaid details are calculated on the basis of remuneration for the Financial Year 2023-24.
- b) Median Remuneration for all its employees is ₹ 3,55,554/- for the Financial Year 2023-24.
- II. Percentage increase in the median remuneration of all employees in Financial Year 2023-24
There is 69.27% increase in median remuneration of all employees in Financial Year 2023-24.
- III. Number of Permanent Employees on the roll of the Company as on March 31, 2024
As on March 31, 2024, the Company had 89 permanent employees on its rolls.
- IV. Comparison of average percentage increase in salary of employees other than Managerial Personnel and the percentage increase in the Managerial Remuneration:
The average percentile increase in the salaries of the employees other than the managerial personnel in the last financial year is 5.16% as against average percentile increase of NIL in the remuneration of Managerial Personnel as defined under the Act. The difference of average percentile increase in employees and managerial remuneration was 5.16%.
Annual increase in remuneration is based on different grades, industry pattern, qualifications & experience, responsibilities shouldered and individual performance of managerial personnel and other employees. There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company
- V. Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company

- VI. Statement Containing the particulars of the employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014:

List of permanent employees (full time) who are on the rolls of the Company and were employed throughout the Financial Year 2023-24 and were paid remuneration, not less than ₹ 102 lacs per annum and employees who have worked for the part of the year and were paid remuneration during the Financial Year 2023-24 at a rate which in aggregate was not less than ₹8.50 lacs per month:

Employee Name	Anuj Sawhney
Designation	Managing Director
Date of Joining	12 th November 2022
Age (years)	50
Remuneration (₹ In Lacs)	105.00
Qualification	M.B.A
Experience (Years)	24
Last Employment	Swiss Military Lifestyle Products Pvt Ltd.

For and on behalf of the Board of Directors

Sd/-

Ashok Kumar Sawhney

Chairman

DIN : 00303519

Sd/-

Anuj Sawhney

Managing Director

DIN : 00471724

Date: 13th August, 2024

Place: New Delhi

ANNEXURE – 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

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

To
The Members,
Swiss Military Consumer Goods Limited
CIN: L51100DL1989PLC034797
W-39, Okhla Industrial Area, Phase-II
New Delhi-110020

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by Swiss Military Consumer Goods Limited (hereinafter called as “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the company’s books, papers, minutes books, forms, returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit Period covering the Financial Year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Swiss Military Consumer Goods Limited (“the Company”) for the financial year ended on 31st March, 2024 according to the provisions of:

- i. The Companies Act, 2013 and any amendments thereof (hereinafter collectively referred to as the “the Act”) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made there under including amendment thereof;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder including amendment thereof;
- iv. 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. **(Not Applicable, as there being no such transactions during the financial year under review).**

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 including amendment thereof;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including amendment thereof;
- c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other amendments thereof (hereinafter collectively referred to as “Listing Regulations”);
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 including amendment thereof;
- e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;

- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable, as there being no debt securities, which are listed on any of the recognized Stock Exchanges).**
- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued.
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable, as there being no instances of delisting of Equity Shares during the financial year under review).**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable, as there being no instances of buy-back of shares during the financial year under review).**

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The 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.

Based on information received & records maintained, we further report that: -

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors 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 generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

For AM & Associates
Company Secretaries
Peer Reviewed Unit No: S2010UP128200

Sd/-
(ANCHAL MITTAL)
Proprietor

Date: 09th August, 2024
Place: New Delhi

M. No.- 7161/ C.P. No.- 7825
UDIN: - F007161F000936716

ANNEXURE 'A'

To Secretarial Audit Report issued

To
The Members
SWISS MILITARY CONSUMER GOODS LIMITED
CIN: L51100DL1989PLC034797
W-39, Okhla Industrial Area, Phase- II
New Delhi-110020

Our report of even date is to be read along with this letter.

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
- We 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 verifications were done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
- The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For AM & Associates
Company Secretaries
Peer Reviewed Unit No: S2010UP128200

Sd/-
(ANCHAL MITTAL)

Proprietor
M. No.- 7161/ C.P. No.- 7825
UDIN: - F007161F000936716

Date: 09th August, 2024
Place: New Delhi

ANNEXURE-4

THE DISCLOSURES TO BE MADE UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 BY THE COMPANY ARE AS UNDER:

a. Conservation of Energy

Your Company being a trading company for lifestyle products, the business operation of the Company is not energy-intensive. As a responsible corporate citizen, it makes conscious efforts towards energy management and conservation thereby reducing its energy consumption.

Some of the measures undertaken by the Company on a continuous basis, including during the year, are listed below:

- Optimized the usage of office equipment's and electrical appliances including air conditioning system, office illumination, beverage dispensers, laptops & desktops, etc.
- Regular maintenance in place for electro-mechanical equipment's, to ensure efficiency, effectiveness and longevity.
- Our office takes proactive steps to improve efficient use of resources such as use of treated water to recharge ground water, use of heat resistant structure & energy efficient equipment's etc.

Your Company continually takes steps to absorb and adopt the latest technologies and innovations. These initiatives should enable the facilities to become more efficient and productive as the company expands, thus helping to conserve energy.

Our commitment to reduce energy consumption is achieved through installation of energy efficient fixtures and power factor optimization initiatives among others. This resulted in consumption of lesser energy.

b. Technology Absorption

The Company has always been aware of latest technological developments and adapt them to make products more cost effective and to attain high levels of quality. The nature of activities of the Company does not warrant any exclusive R&D department.

c. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange Outgo during the year in terms of actual outflows.

₹ in Lacs

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Foreign Exchange Earned	-	-
Foreign Exchange Used	204.86	158.92

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Date: 13th August, 2024
Place: New Delhi

ANNEXURE-5

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

“Swiss Military Consumer Goods Limited has always been committed to cause of social service and has consistently looking to divert part of its resources and activities towards social cause so that it positively benefits the society at large. Care for the society has been an intrinsic value for the promoters of Swiss Military Consumer Goods Limited.”

The promoters of Swiss Military Consumer Goods Limited, believed that every human being needs to be engaged productively for accomplishment of his/her personal, social, spiritual and professional goals. To nurture this, the society needs institution that equip individuals with relevant knowledge, appropriate skills and right attitude and values. The promoters were instrumental in setting up pioneering institutions for sustaining and improving education, old age homes, health care centres.

The Company has framed the Corporate Social Responsibility (CSR) Policy in terms of the provisions of Section 135 (1) of the Companies Act, 2013. The Company has taken up various CSR initiatives and aims to offer dignified living conditions for the elderly in a compassionate and supportive setting for free, deliver affordable healthcare and wellness services to those in need without any charges, and empower youth through vocational training for free to enhance their employability and economic independence.

The CSR activities of the Company mainly focuses on three thrust areas in which CSR activities are planned: (a) Education and knowledge enhancement; (b) Healthcare; (c) Social Welfare, home and care for neglected and abandoned senior citizens. CSR activities are implemented directly by the Company or indirectly by implementing agencies engaged in CSR activities. The CSR activities of the Company are aligned with the activities specified in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ashok Kumar Sawhney	Chairman, Non-Executive Non- Independent Director	3	3
2	Mr. Anuj Sawhney	Member, Managing Director	3	3
3	Mr. Chirag Gupta	Member, Non-Executive Independent Director	3	3

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

<https://swissmilitaryshop.com/wp-content/uploads/2023/05/Corporate-Social-Responsibility-Policy.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

5. a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 264.98 Lacs
b) Two percent of average net profit as per sub-section (5) of section 135: ₹ 5.30 Lacs
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

- d) Amount required to be set off for the financial year, if any: NIL
e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)]: ₹ 5.30 Lacs

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹12 Lacs

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project	Amount spent for the Project (₹ in Lakhs)	Mode of Implementation – Direct (Yes / No) Name	Mode of Implementation – Through Implementing Agency CSR Registration number
Contribution towards promoting health care Activities	Clause (i) promoting health care including preventive health care	Yes	Delhi	₹12.00	Ashok Sawhney Foundation	CSR00051136
Contribution Promoting education	Clause (ii) Promoting education					
Contribution towards setting up old age homes	Clause (iii) setting up old age homes facilities for senior citizens					

- b. Amount spent in administrative overheads: Nil
c. Amount spent on Impact Assessment, if applicable: Not Applicable
d. Total amount spent for the Financial Year [6(a)+6(b)+6(c)]: ₹12.00 Lacs
e. CSR amount spent or unspent for the financial year: Nil
f. Excess amount for set off, if any:

Sr. No.	Particular	Amount (₹ in Lakhs)
i.	Two percent of average net profit of the company as per sub-section (5) of section 135	5.30
ii.	Total amount spent for the financial year	12.00
iii.	Excess amount spent for the financial year [(ii)-(i)]	6.70
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	6.70

3. Details of unspent CSR amount for the preceding three financial years: Not Applicable
4. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
5. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Date: 13th August, 2024
Place: New Delhi

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forming part of the Boards' Report for the year ended March 31, 2024]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Swiss Military Consumer Goods Limited, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future.

For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, Swiss Military Consumer Goods Limited believes that profitability must go hand-in-hand with a sense of responsibility towards all stakeholders. This is an integral part of Swiss Military's business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

The Company is complying with the conditions of corporate governance as required under the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and other SEBI Regulations, as applicable.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction

of Directors, Director's remuneration, subsidiary oversight and Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time and as applicable, with regard to Corporate Governance including relaxations granted by the Ministry of Corporate Affairs ('MCA') and Securities and Exchange Board of India ('SEBI') from time to time.

2. BOARD OF DIRECTORS

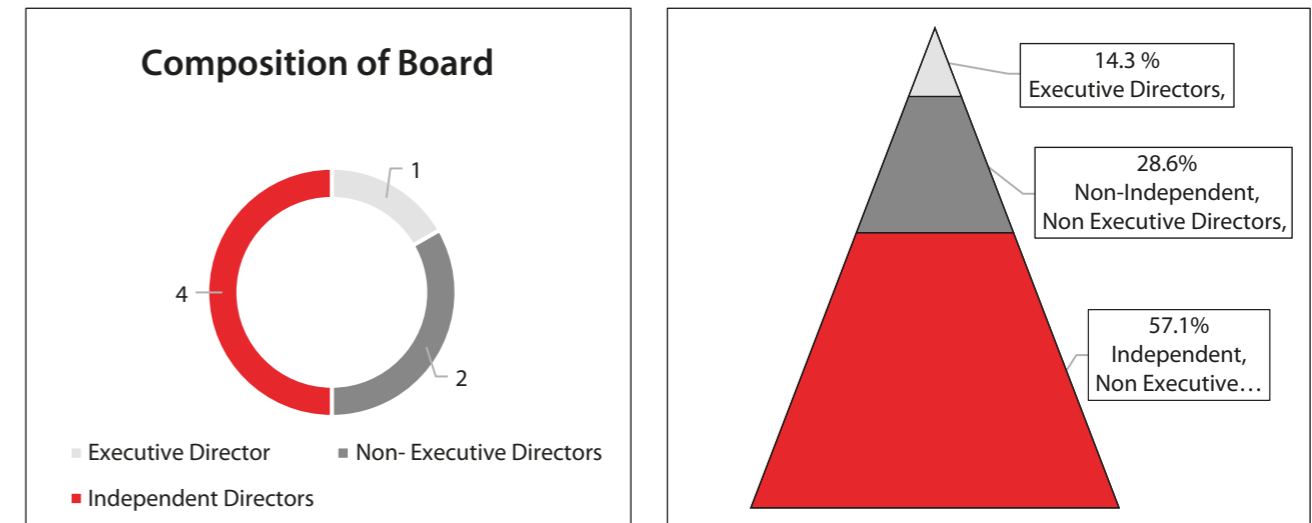
The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, will be balanced appropriately.

Composition of the Board:

The composition of Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and provisions of the Companies Act, 2013 ('Act'), as amended from time to time.

The Board currently comprises of 7 (seven) Directors out of which 1 (one) Director is Executive Director, 2 (two) are Non-Executive, Non-Independent Directors and remaining 4 (four) are Independent Directors. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations. The maximum tenure of the Independent Directors is in compliance with

the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Act. The composition of the Board represents an optimal mix of professionalism, knowledge, experience and expertise in varied fields enabling it to discharge its responsibilities and provide effective leadership for long-term vision with highest standards of governance. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.



None of the Directors held directorship in more than 7 listed companies. Further, none of the IDs of the Company served as an ID in more than 7 listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity, serves as an ID of more than 3 listed entities. None of the Directors held directorship in more than 20 Indian companies, with not more than 10 public limited companies.

None of the Directors is a member of more than 10 committees or acted as chairperson of more than 5 committees (being AC and SRC, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a director. The necessary disclosures regarding committee positions have been made by the Directors.

All IDs of the Company have been appointed as per the provisions of the Companies Act, 2013 ('the Act') and Listing Regulations. The Chairman of the Company is Non-Executive Director.

The composition of the Board is in compliance with the requirements of Regulation 17 of the Listing Regulations read with Section 149 and 152 of the Act.

4 Board meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The necessary quorum was present for all the necessary meetings.

The composition of the Board during the Financial Year under review and position held by Directors on the Board / Committees of the Company as on March 31, 2024 along with their attendance at Board meetings and Annual General Meeting ("AGM") of the Company during the Financial Year under review are given below:

Name, Designation & DIN of Director	Category of Directorship	No. of other Directorship held	Committee Membership/ Chairmanship		Name of other Listed entities in which the concerned Director is a director	No. of equity shares held as on March 31, 2023
			Chairman	Member		
Mr. Ashok Kumar Sawhney Director DIN: 00303519	Non-Independent & Non-Executive Chairman	01	-	-	-	-
Mr. Anuj Sawhney Executive Director DIN: 00471724	Promoter & Managing Director	-	-	-	-	-

Name, Designation & DIN of Director	Category of Directorship	No. of other Directorship held	Committee Membership/ Chairmanship		Name of other Listed entities in which the concerned Director is a director	No. of equity shares held as on March 31, 2023
			Chairman	Member		
Mrs. Ashita Sawhney Director DIN: 08612232	Promoter & Non-Executive	-	-	-	-	-
Mr. Inder Dutt Director DIN: 10277617	Independent & Non-Executive	-	-	-	-	-
Mr. Surendra Kumar Bhagat Director DIN: 09365562	Independent & Non-Executive	-	-	-	-	-
Mr. Rajesh Tuteja Director DIN: 08952755	Independent & Non-Executive	01	-	-	Anant Raj Limited	-
Mr. Chirag Gupta Director DIN: 09040722	Independent & Non-Executive	-	-	-	-	-

- For the purpose of considering the limit of the number of directorships, Private Limited Companies, Foreign Companies and Companies under Section 8 of the Act are excluded which is in line with the requirement of relevant conditions of Regulation 26 of the Listing Regulations. The directorships held by Directors as mentioned above do not include the directorships held in Swiss Military Consumer Goods Ltd.
- Chairpersonship / Committee Membership of Audit Committee & Stakeholders' Relationship Committee of other public limited companies, excluding private limited companies, foreign companies, high value debt listed entities and companies under Section 8 of the Act, only has been considered in accordance with Regulation 26 of SEBI Listing Regulations

Relationships between Directors inter-se

Mr. Ashok Kumar Sawhney and Mr. Anuj Sawhney, who are related to each other as father & son and Mrs. Ashita Sawhney, who is wife of Mr. Anuj Sawhney. None of the Directors other than above have any relationship with any Director of the Company as per Sec 2(77) of the Act including rules thereunder.

Skills / Expertise / Competence of Board of Directors:

The below matrix summarizes the skills, expertise and competencies possessed by our individual directors, which are key to corporate governance and board effectiveness as on March 31, 2024:

Skills and its description	Ashok Kumar Sawhney	Anuj Sawhney	Ashita Sawhney	Inder Dutt	Surendra Kumar Bhagat	Rajesh Tuteja	Chirag Gupta
Strategy & Planning - Business strategy and Corporate Management	√	√	√	√	√	√	√
Governance - developing governance practices, serving the best interests of all stakeholders and driving corporate ethics and values	√	√	√	√	√	√	√
Operations - Production and Product development, Quality enhancement, environment & safety	√	√	√		√	√	
Finance, Marketing & Human Resource Development - finance, investment & commercial banking, institution affairs, human resource, marketing & sales	√	√				√	√

Board Meetings and its Attendance:

The Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

During the year under review, Board met Four (4) times on May 09, 2023, August 10, 2023, November 06, 2023 and February 13, 2024. The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting are as under:

Name of Director	No. of Board Meeting held during the tenure	Attendance at the Board Meeting	Whether attended Last AGM
Mr. Ashok Kumar Sawhney	4	4	No
Mr. Anuj Sawhney	4	4	Yes
Mrs. Ashita Sawhney	4	4	Yes
Mr. Inder Dutt*	2	2	NA
Mr. Surendra Kumar Bhagat	4	4	Yes
Mr. Rajesh Tuteja	4	4	Yes
Mr. Chirag Gupta	4	4	Yes

(* Mr. Inder Dutt was appointed as Independent Director of the company at 34th Annual General Meeting of the Company held on 15th September, 2023)

Meeting of independent directors

The Independent Directors meet separately at least once in a Financial Year, without the attendance of non-independent Directors and members / representatives of management of the Company. They meet to discuss and form an independent opinion on the agenda items, various other Board-related matters, identify areas where they need clarity or information from management and to annually review the performance of Non-Independent Directors, the Board as a whole.

Confirmation in respect of Independence

The Board of Directors of the Company hereby confirm that in the opinion of Board, the Independent Directors of the Company fulfil the condition specified in Listing Regulations and are independent of the management.

Familiarization Program

The Company and Business familiarisation process for Independent Directors was an ongoing process during the financial year and largely carried out by way of special discussions and presentations at Board / Committee Meetings on important matters such as key regulatory changes and amendments including updation on recent amendments in Companies Act, SEBI (SAST), SEBI (PIT) and SEBI (LODR) Regulations, Fund raising, CSR, GST, material legal matters, changing industry trends, periodic operations review, annual budget review, strategy discussions and exceptional developments, if any, in the Company. The details of such familiarization program have been disclosed on the Company's website at <https://swissmilitaryshop.com/investor-relations/>.

Detailed reason of resignation of Independent Directors

No Independent Director resigned from the board during the financial year 2023-24.

Performance evaluation of Board of Directors

Pursuant to the provisions of the Companies Act, 2013 and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Effectiveness, Key Stakeholders connect, Ethics and Compliances, Evaluation of Company's Performance, Project Management and Internal Control and Audits. A separate exercise was carried out to evaluate the performance of individual Directors of the Board, who were evaluated on parameters such as level of engagement and contribution, effective participation in Board/Committee Meetings, independence of judgement, safeguarding the interest of the Company and its minority shareholders, providing of expert advice to Board, provide deliberations on approving related party transactions etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

I) AUDIT COMMITTEE

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

As required under Section 177 of the Act, and Regulation 18 read with Part C of Schedule II of Listing Regulations and as a measure for good Corporate Governance and to provide assistance to the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company, an Audit Committee has been constituted. The Audit Committee primarily constitutes a formal and transparent arrangement for accurate financial reporting and strong internal controls. All members of the Audit Committee, including the Chairman, are financially literate.

Terms of reference:

The terms of reference of the Audit Committee includes all the matters prescribed under the applicable provisions of the Act and Listing Regulations which, inter alia, include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Approval or any subsequent modification of transactions of the company with related parties.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- To review the functioning of the Whistle Blower mechanism.
- Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

- Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 on quarterly basis.

The Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
- Statement of deviations;
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); and
- Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Meetings during the year

The Audit Committee met four (4) times during the year under review. The Committee meetings were held on May 09, 2023, August 10, 2023, November 06, 2023 and February 13, 2024. The intervening gap between two meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

Composition & Attendance

Name of the Directors	Category	Nature of Membership	Number of Meetings held/ attended
Mr. Chirag Gupta	Non – Executive Independent	Chairman	04/04
Mr. Anuj Sawhney	Managing Director	Member	04/04
Mr. Surendra Kumar Bhagat	Non – Executive Independent	Member	04/04
Mr. Rajesh Tuteja	Non – Executive Independent	Member	04/04

The Company Secretary, Mr. Vikas Jain, acts as the Secretary to the Audit Committee.

In pursuance, to Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of the Audit Committee possess financial / accounting expertise / exposure.

II) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The Stakeholders Relationship Committee is responsible for the satisfactory redressal of investor complaints and recommends measures for overall improvement in the quality of investor services.

The primary responsibilities of this Committee include:

- Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and
- speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.
- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.
- Perform such other functions as may be necessary or appropriate for the performance of its duties such as:-
 - Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non - receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
 - Review of measures taken for effective exercise of voting rights by shareholders.
 - Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.

Further, the role of the Committee shall inter-alia include the following:

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- e) Any allied matter out of and incidental to these functions

Meetings during the Year:

The Stakeholders Relationship Committee met Four (4) times during the year under review. The Committee meetings were held on May 09, 2023, August 10, 2023, November 06, 2023 and February 13, 2024. The necessary quorum was present for all the meetings.

Composition and Attendance

Name of the Directors	Category	Nature of Membership	Number of Meetings held/attended
Mr. Surendra Kumar Bhagat	Non – Executive Independent	Chairman	04/04
Mr. Anuj Sawhney	Managing Director	Member	04/04
Mr. Chirag Gupta	Non – Executive Independent	Member	04/04

Name, Designation and Contact details of Compliance Officer:

Mr. Vikas Jain, Company Secretary
Swiss Military Consumer Goods Limited
W-39, Okhla Industrial Area, Phase-II, New Delhi- 110020
Phone Number- 011-41067060
Email- investor@swissmilitaryshop.com

Nature of Complaints and Redressal Status

Investor Complaint	No. of complaints including through SEBI SCORES platform
Complaints pending at the beginning of the FY 2023-24	Nil
Number of Complaints received during the FY 2023-24	Nil
Number of Complaints redressed during the FY 2023-24	Nil
Complaints pending at the end of the FY 2023-24	Nil

III) NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013.

This Committee has been vested with authority to inter alia recommend nominations for Board Membership, develop and recommend policies with respect to the composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experiences, track record and integrity and establish Director retirement policies and appropriate succession plans and determining overall remuneration policies of the Company.

The principal scope / role also includes review of market practices and decide on remuneration packages applicable to Executive Directors, Senior Management Personnel, etc. and review the same.

The Nomination and Remuneration Committee will lay the foundation to the effective functioning of the Board.

The primary responsibilities of this Committee include:

- Identifying potential candidates who are qualified to become Directors and who may be appointed in senior management.
- Determining the composition of the Board of Directors and the sub-committees of the board.
- Specify methodology for effective evaluation of performance of Board/ Committees/Directors either by Board, NRC or an Independent external agency and to review implementation of evaluation system;

- Carry out the evaluation of every Director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- To assist the Board's overall responsibility relating to executive compensation and recommend to the Board appropriate compensation packages for Whole-time Directors and Senior Management personnel in such a manner so as to attract and retain the best available personnel for position of substantial responsibility with the Company.
- Overall responsibility of approving and evaluating the compensation plans, policies and programs for all the Executive Directors and Senior Management Personnel.
- Devising a policy on diversity of board of directors.
- Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, the remuneration of the Directors, Key Managerial Personnel and other employees and in whatever form payable to senior management.
- Undertake any other matters as the Board may decide from time to time.

Meetings during the year:

The Nomination and Remuneration Committee met four times during the year under review on May 09, 2023, August 10, 2023, November 06, 2023 and February 13, 2024. The necessary quorum was present for all the meetings.

Composition and attendance

Name of the Directors	Category	Nature of Membership	Number of Meetings attended
Mr. Surendra Kumar Bhagat	Non – Executive Independent	Chairman	04/04
Mr. Chirag Gupta	Non- Executive Independent	Member	04/04
Mrs. Ashita Sawhney	Non – Executive Non-Independent	Member	04/04

The Company Secretary, Mr. Vikas Jain acts as the Secretary to the Nomination and Remuneration Committee.

Nomination and Remuneration Policy of the Company

The Nomination and Remuneration Policy is also available on the website of the Company at the following link <https://swissmilitaryshop.com/investor-relations/>.

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board of Directors, in consultation with Nomination and Remuneration Committee, has formulated a Board evaluation framework containing inter-alia, the criteria for performance evaluation of the entire Board of the Company, its committees and individual Directors including Independent Directors.

The NRC has specified the manner for effective evaluation of performance of Board, its committees and individual Director including Independent Directors. The Board has carried out evaluation of performance of each of them. The NRC reviews its implementation and ensures the compliances thereof.

Board's functioning was evaluated on various aspects including inter alia degree of fulfillment of key responsibilities, Board structure and composition, role and accountability, management oversight, risk management, culture and communication, frequency and effectiveness of meetings.

The Committees of the Board were assessed on the basis of degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The Chairman appointed for the Board Meetings was also evaluated by all the Directors on the basis of managing relations, leadership, competence and diligence. Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings, guidance/ support to the management outside Board/ Committee Meetings, professional qualifications and prior experience.

The Independent Directors' performance evaluation was carried out by the entire Board excluding the Director being evaluated.

The performance evaluation of the Chairman appointed for the Board Meetings and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Board as a whole.

IV) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility ("CSR") Committee comprise of 3 (three) members. A detailed charter of the CSR Committee is available on the website of the Company at: <https://swissmilitaryshop.com/investor-relations/>.

Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

- To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof;
- To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy;
- To recommend to the Board the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of framework of CSR Policy;
- To review the performance of the Company in the areas of CSR;
- To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the company;
- To recommend extension of duration of existing project and classify it as on-going project or other than on-going project;
- To submit annual report of CSR activities to the Board;
- To consider and recommend appointment of agency I consultant for carrying out impact assessment for CSR projects, as applicable, to the Board;
- To review and monitor all CSR projects and impact assessment report;
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties;

Meetings during the year:

The Corporate Social Responsibility Committee met Three times during the year under review on August 10, 2023, November 06, 2023 and February 13, 2024. The necessary quorum was present for all the meetings.

Composition and attendance

Name of the Directors	Category	Nature of Membership	Number of Meetings attended
Mr. Ashok Kumar Sawhney	Non – Executive Non-Independent	Chairman	03/03
Mr. Anuj Sawhney	Managing Director	Member	03/03
Mr. Chirag Gupta	Non – Executive Independent	Member	03/03

The Company Secretary acts as the Secretary to the Committee. The minutes of each CSR meeting are placed in the next meeting of the Board.

4. REMUNERATION DETAILS

The details of remuneration paid to Executive and Non-Executive Directors during the Financial Year 2023-24 are given below:

a) Pecuniary Relationship of Non-Executive Directors: Non-Executive Directors the Company, have no pecuniary relationship or transaction with the Company, except the payment of sitting fees to them for attending meetings of the Board and its Committees.

b) Remuneration to Non- Executive / Independent Directors:

- The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board of Directors.
- All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board of Directors or shareholders, as the case maybe.
- An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

- Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - The Services are rendered by such Director in his capacity as the professional;
 - In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

c) Remuneration to Executive Director:

The Executive Directors are paid as per the remuneration approved by the Shareholders at the time of their appointment, which is in line with the statutory requirements and the Company's policies. A revision in remuneration, if any, is recommended by the Nomination Remuneration to the Board for its consideration by taking into account their individual performance and as well the performance of the Company in a given year. As per the current terms of their appointment, none of the Executive Directors are entitled to commission on the net profits of the Company.

d) Details with respect to Remuneration: As on date, the Company has not granted any options to its Directors. The details of remuneration disbursed to Executive and Non-Executive Directors, during the period under review are as under:

(Amount in Lacs)

Name	Fixed Component/ Salary	Benefits	Sitting Fees	Performance Linked Incentive/ Commission	Total
Ashok Kumar Sawhney	-	-	-	-	-
Anuj Sawhney	105.00	-	-	-	105.00
Ashita Sawhney	-	-	-	-	-
Surendra Kumar Bhagat	-	-	2.00	-	2.00
Rajesh Tuteja	-	-	2.00	-	2.00
Chirag Gupta	-	-	2.00	-	2.00
Inder Dutt	-	-	0.80	-	0.80

5. ANNUAL GENERAL MEETING

Financial Year	Location	Date	Time	No. of Special Resolution (s) passed
2022-23	AGM held through Video Conferencing ('VC') / Other Audio-Visual Means ("OAVM")	15.09.2023	12.00 P.M.	Two
2021-22	AGM held through Video Conferencing ('VC') / Other Audio-Visual Means ("OAVM")	15.12.2022	12.00 P.M.	Three
2020-21	AGM held through Video Conferencing ('VC') / Other Audio-Visual Means ("OAVM"), due to COVID-19 pandemic in compliance with various circulars issued by MCA and SEBI.	04.09.2021	11.30 A.M.	Four

Whether Special resolutions were put through Postal Ballot last year? No

Are Special resolutions proposed to be put through Postal Ballot this Year? No

During the year under review, no Extraordinary General Meeting of the members of the Company was convened.

6. DISCLOSURES

(a) Related Party Transactions

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2023-24 were in the ordinary course of business and at arms' length basis and were approved by the Shareholders and Audit Committee.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronize and synergies with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in note no. 24 (b) of the Financial Statements, forming part of the Annual Report.

The required statements / disclosures, with respect to the related party transactions, are placed before the Audit Committee /Board, on quarterly basis in terms of Regulation 23(3) of the Listing Regulations and other applicable laws for approval / information. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive in nature. The Board of Directors has formulated a Policy on dealing with related parties, pursuant to the provisions of the Act and the Listing Regulations. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties and can be accessed at the following link: <https://swissmilitaryshop.com/investor-relations/>.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

Disclosure of related party transactions on a consolidated basis is also sent to the Stock Exchanges after publication financial results for the half year

(b) Non-compliance by the Company, Penalties, Strictures

There has not been any non-compliance by the Company and no penalties or stricture have been imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. The Company has complied with applicable rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to Capital Market. All Returns/Reports were filed within stipulated time with the Stock Exchanges / other authorities.

(c) Whistle Blower Policy/Vigil Mechanism

In accordance with the requirement of Section 177 of the Act read with the Rules made thereunder and Regulation 22 of Listing Regulations, the Company has formulated a 'Vigil Mechanism / Whistle Blower Policy' which provides a tool to the Directors and Employees of the Company to report genuine concerns including unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Policy. The Policy also provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and direct access to the Chairperson of the Audit Committee in exceptional cases. The Audit Committee reviews the functioning of Whistle Blower Mechanism. The Whistle Blower Policy is available at the website of the company at following link <https://swissmilitaryshop.com/investor-relations/>.

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its report, affirmed that no personnel has been denied access to the Audit Committee.

(d) Disclosure of Accounting Treatment:

The Company has followed Indian Accounting Standards (Ind-AS) in the preparation of its financial statements, pursuant to the notification issued by Ministry of Corporate Affairs dated February 16, 2015 regarding the Companies (Indian Accounting Standards) Rules, 2015.

(e) Compliance of Regulation 27 of the Listing Regulations

The Company has complied with the mandatory requirements specified in Regulation 17 to 27 & clause "b" to "i" of sub-regulation (2) of Regulation 46 of the Listing Regulations and Quarterly compliance report on Corporate Governance, in the prescribed format duly signed by the compliance officer, is submitted quarterly with the Stock Exchanges where the shares of the Company are listed. The Company has also complied with relevant para of Schedule V of Listing Regulations on Corporate Governance.

(f) Compliance of Mandatory and Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of relevant regulations and schedules of the Listing Regulations, relating to Corporate Governance. In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements i.e. Regulation 27(1) read with Part E of Schedule II of the Listing Regulations:

i. Modified opinion(s) in the audit reports

The Auditors of the Company have issued Audit Reports with unmodified opinion on the financial statements (Standalone and Consolidated) for the year ended March 31, 2024.

ii. Reporting of Internal Auditors

Internal Auditors directly report to the Audit Committee.

(g) Code for prevention of Insider -Trading

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons' ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

The code is posted on the website of the Company at the link <https://swissmilitaryshop.com/investor-relations/>

(h) Policy for Determining Material Subsidiaries Companies

In terms of Regulation 16 (1) (c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website. The Policy can be accessed at <https://swissmilitaryshop.com/investor-relations/>.

(i) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended March 31, 2024.

(j) Your Company has obtained a certificate from a company secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority in accordance with Listing Regulations. The copy of the same is enclosed with this report as Annexure 4.

(k) There has been no such incidence where the Board has not accepted the recommendation of the Committees of the Company during the year under review.

(l) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part given in note no. 20.1 of consolidated financial statements.

(m) Policy for Prevention, Prohibition & Redressal Sexual Harassment of Women at Workplace

As per the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), your Company has a robust

mechanism in place to redress complaints reported under it. Status of Complaints during the year are as follows:

Sr. No.	Particulars	Number
1.	Number of Complaints on Sexual harassment received during the year	Nil
2.	Number of Complaints disposed of during the year	Nil
3.	Number of Complaints pending as on end of the Financial Year	Nil

(n) Disclosure of Non-Compliance with Corporate Governance Requirement

There is no Non-Compliance of any requirement of Corporate Governance Report of sub-para (2) to (10) of the Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. MEANS OF COMMUNICATION

(a) Financial Results

The quarterly Financial Results of the Company are published in accordance with the requirements of the Listing Regulations, 2015.

(b) Newspapers wherein results are normally published:

The Quarterly / half-yearly / annual accounts results are published in the English and Hindi Newspaper.

- which newspaper normally published in	Financial Express (English) and Jansatta (Hindi)
- Any website where displayed	www.swissmilitaryshop.com
- whether it also displays official news release	No
- whether presentations made to institutional investors or to analyst	No
- Designated Exclusive email-id for investor services	investor@swissmilitaryshop.com

(c) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporate. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

(d) SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(e) Company's Corporate Website

Upto date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, latest presentation made to the institutional investors and other general information about the Company are available on the Company's website www.swissmilitaryshop.com

8. GENERAL SHAREHOLDERS INFORMATION AND DISCLOSURES

i) Annual General Meeting

Day & Date	Time	Venue
Friday, 27 th September, 2024	12.00 NOON	VC/OAVM

ii) Financial Year

The Company follows April to March as its Financial Year i.e. April 1, 2023 – March 31, 2024. The results for every quarter, beginning from April, will be declared within 45 days of the end of quarter, except for the last quarter, which will be submitted, along with the annual audited results within 60 days of the end of the last quarter or such extended date prescribed by SEBI from time to time.

- iii) **Dates of Book Closure** 20th September, 2024 to 27th September, 2024 (Both days inclusive)
- iv) **Dividend Payment Date** Dividend of ₹0.10 per share (5%), if declared by the Members in the ensuing AGM as on 27th September 2024, shall be paid within 30 days from the date of declaration.
The record date i.e. Friday, 20th September 2024 has been fixed for ascertaining entitlement for the payment of Dividend
- v) **Dividend Distribution Policy** The Dividend Distribution Policy of the Company is available on the website of the Company at <https://swissmilitaryshop.com/investor-relations/>
- vi) **Listing on Stock Exchange:** BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
- vii) **Listing Fee:** The Company has paid the listing fees to Stock Exchange for the year 2024-25.
- viii) **Stock Code:** 523558
- ix) **ISIN Number for NSDL & CDSL:** INE010C01025

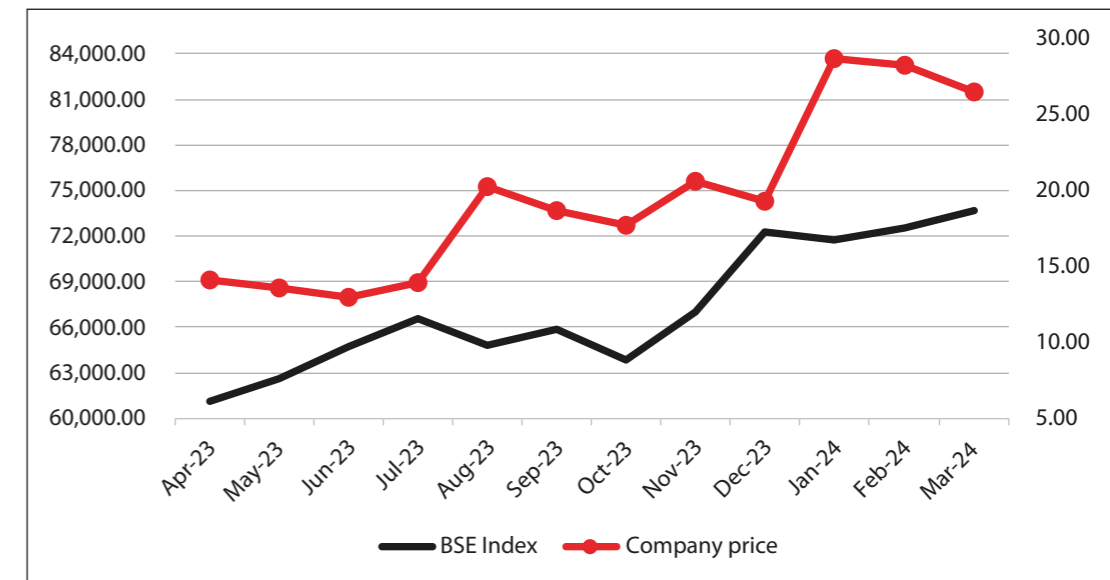
x) **Market Price Data:** High/ low of market price of the Company's equity shares traded frequently on BSE during the last financial year were as follows:

Month	High	Low	Month	High	Low
Apr-23	16.69	12.71	Oct-23	20.00	16.29
May-23	14.49	12.80	Nov-23	22.09	17.26
Jun-23	14.39	12.80	Dec-23	22.50	17.82
Jul-23	15.44	12.00	Jan-24	28.66	19.10
Aug-23	20.69	13.40	Feb-24	32.25	27.03
Sep-23	24.90	18.34	Mar-24	30.00	22.40

Source: www.bseindia.com

There was no suspension of trading in the Securities of the Company during the year under review.

xi) Performance of the Company's Share Price in comparison with BSE Sensex



xii) Registrar and Share Transfer Agent

SEBI has made it mandatory for all the listed companies that all the work relating to share transfer / registry, physical and demat registry work, to be handled either wholly 'in house' by companies or wholly by a SEBI registered external Registrar and Share Transfer Agent. The Company has appointed M/s. Alankit Assignments Limited as the Registrar and Share Transfer Agent of the Company. As required under Regulation 7(3) of the Listing Regulations, the Company files, on yearly basis, certificate issued by RTA and compliance officer of the Company certifying that all activities in relation to share transfer facility are maintained by RTA registered with SEBI. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Name : Alankit Assignments Limited
Address : Alankit House, 4E/2, Jhandewalan Extn., New Delhi-110 055
Telephone No : 011-42541955
Fax No. : 011-42540064

xiii) Share Transfer System:

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions. Now as per Amendment in SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form only.

Pursuant to Regulation 40(9) & 40(10) of the Listing Regulations, Certificate on yearly basis confirming due compliance with all pending Share Transfer formalities by the Company and Certificate for timely dematerialization of shares as per SEBI (Depositories and Participants) Regulations, 1996, have been submitted with stock exchanges.

xiv) Distribution of Shareholding as on 31st March, 2024:

Share Held	31.03.2024			
	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
1-500	39584	82.00	3960572	1.47
501-1000	3512	7.28	2965336	1.10
1001-5000	3778	7.83	9286293	4.72
5001-10000	704	1.46	5532113	2.81
10001 and above	694	1.44	174849678	88.94
TOTAL	48272	100	196593992	100

xv) Dematerialization of shares and liquidity: As on 31st March, 2024 about 99.76% of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

xvi) Commodity price risk or foreign exchange risk and hedging activities: The Company is not engaged in commodity trading, hedging or exchange risk management activities.

xvii) Plant Locations : Not Applicable as company is not carrying any direct manufacturing activities. The products manufactured through contract manufacturing / OEMs.

xviii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

xix) Categories of Shareholding as on 31st March 2024:

Sl. No.	Category of	Number of Shareholders	Total Numbers of Shares held	% of total shares
1	Promoters	03	125534684	64.00
2	Bodies Corporate	169	24115194	12.31
3	Resident Individuals	47994	42692323	22.00
4	HUF	556	2688887	1.00
5	Clearing Members	11	189249	0.0005
6	Non- Resident Indians	257	1265355	0.64
7	Foreign Portfolio Investors	04	107500	0.05
8	Others	02	800	0.000004
Total		48997	196593992	100

xx) Address for Correspondence: The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

Regd. Office:

W-39, Okhla Industrial Area, Phase II,
New Delhi-110 020
Mr. Vikas Jain, Company Secretary
Email-id for Investor Grievances: investor@swissmilitaryshop.com

xxi) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: **Not Applicable**

9. Compliance Certificate on Corporate Governance:

Company has obtained a Certificate from the M/s. AM & Associates, Company Secretaries confirming compliance with the conditions of Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of the Certificate is attached to this report as Annexure 3.

10. Compliance of Code of Conduct

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has laid down Code of Conduct for all the Board Members and Senior Management personnel of the Company. All the Board Members and senior management personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March, 2024. Declaration signed by Mr. Anuj Sawhney, Managing Director is attached to this report as Annexure 1.

11. Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account

Particulars	No. of Shareholders
Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
No. of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL
No. of shareholders to whom shares were transferred from suspense account during the year	NIL
Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL
That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	NIL

12. MD/CFO Certification

The Managing Director (MD) and Chief Financial Officer (CFO) of the Company give an annual certificate on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the SEBI Listing Regulations. The MD and CFO also give quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33 (2) (a) of the SEBI Listing Regulations. The Certificate is annexed as Annexure 2.

For and on behalf of the Board of Directors

Sd/-

Ashok Kumar Sawhney

Chairman

DIN : 00303519

Sd/-

Anuj Sawhney

Managing Director

DIN : 00471724

Date: 13th August, 2024

Place: New Delhi

ANNEXURE 1 OF CORPORATE GOVERNANCE REPORT

Declaration by the Managing Director on Code of Conduct

[Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Anuj Sawhney, Managing Director of the Company, hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2023-24.

Date: 13th August 2024

Place: New Delhi

Sd/-

Anuj Sawhney
(Managing Director)
DIN: 00471724

ANNEXURE 2 OF CORPORATE GOVERNANCE REPORT

MD/CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

[Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

For the Financial Year ended March 31, 2024

We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2024, and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations.
- c. There are no transactions entered in to by the Company during the year ended March 31, 2024, which are fraudulent, illegal or violative of Company's Code of Conduct.
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same.
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the relevant period.
- f. That there have been no significant changes in the accounting policies during the relevant period.
- g. We have not noticed any fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting

Date: 22nd May, 2024

Place: New Delhi

Sd/-

Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-

Vijay Kalra
Chief Financial Officer

ANNEXURE 3 OF CORPORATE GOVERNANCE REPORT

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

(As per Provisions of Chapter IV of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended from time to time)

To
The Members of
Swiss Military Consumer Goods Limited
W-39, Okhla Industrial Area, Phase-II,
New Delhi-110020

We have examined the compliance of the conditions of Corporate Governance by Swiss Military Consumer Goods Limited ("the Company") for the year ended on 31st March 2024, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (hereinafter collectively referred to as "Listing Regulations");

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI, Ministry of Corporate Affairs or any other Statutory Authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AM & Associates**

Company Secretaries
Peer Reviewed Unit No: S2010UP128200

Sd/-

(ANCHAL MITTAL)

Proprietor
M. No.- 7161/ C.P. No.- 7825
UDIN: - F007161F000936749

Date: 09th August, 2024

Place: Delhi

ANNEXURE 4 OF CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Swiss Military Consumer Goods Limited
W-39, Okhla Industrial Area, Phase-II,
New Delhi-110020

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Swiss Military Consumer Goods Limited having CIN L51100DL1989PLC034797 and having registered office at W-39, Okhla Industrial Area, Phase-II, New Delhi-110020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	Designation	DIN	Date of appointment in company
1.	Ashok Kumar Sawhney	Director	00303519	04/09/2021
2.	Anuj Sawhney	Managing Director	00471724	23/09/2020
3.	Ashita Sawhney	Director	08612232	23/09/2020
4.	Surendra Kumar Bhagat	Director	09365562	23/10/2021
5.	Rajesh Tuteja	Director	08952755	23/10/2021
6.	Chirag Gupta	Director	09040722	27/01/2021
7.	Inder Dutt	Director	10277617	15/09/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **AM & Associates**

Company Secretaries
Peer Review Cert. No.: S2010UP128200

Sd/-

Anchal Mittal

Proprietor
Mem. No.: F7161
C.P. No.: 7825
UDIN: - F007161F000426965

Date: 22nd May, 2024

Place: Delhi

Independent Auditor's Report

Unique Document Identification Number (UDIN) for this document is **24080855BKFINY8851**

To the Members of Swiss Military Consumer Goods Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of **Swiss Military Consumer Goods Limited** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March 2024, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone statement of changes in Equity and the Standalone statement of Cash Flow for the year then ended and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Profit, total comprehensive income, the changes in equity and its cash flows for the year on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies

Description of Key Audit Matters:

Key audit matters	How our audit addressed the key audit matter
Provisions, Litigations, Claims and Contingent Liabilities: (Refer Note- 22)	Our audit procedures included the following: <ul style="list-style-type: none"> We tested the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions. We inquired the status in respect of significant provisions with the Company's internal tax and legal team. We assessed the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. We challenged the assumptions and critical judgements made by the Company which impacted their estimate of provision required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. We verified the calculation of provision on a test check basis.

Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

Key Audit Matters

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

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identified and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, We give it the "Annexure-A" a statement on the matters specified in paragraph 3 and 4 of the order to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- 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.

- The standalone Balance Sheet, the standalone Statement of Profit and Loss & the Cash Flow Statement and Statement of standalone Changes in Equity dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on 01st April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and explanations given to us, the remuneration paid by the company of its director (s) during the year is accordance with the provisions of sections 197 of the Act.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position
 - The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The Board of Directors of the company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General meeting, The dividend declared is in accordance with section 123 of the Act to the extent it applies to the declaration of dividend.

For **B K Sood & Co.**
Chartered Accountants
FRN. 000948N

Sd/-

B. K. Sood
Partner

M. No. 080855

Place: New Delhi
Date: 22nd May, 2024

"Annexure A" to the Independent Auditors' Report

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of "SWISS MILITARY CONSUMER GOODS LIMITED on the standalone financial statements as of and for the year ended 31st March, 2024

1) In respect of its fixed assets: -

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical assets have been noticed.
- According to the information and explanations given to us and based on the examination of the title deeds of all the immovable properties (which are included under the head of property, plant and equipment) are held in the name of the Company.
- In our opinion company has not revalued Property, Plant and Equipment or Intangible assets or both during the year.
- According to information and explanation given to us there are no proceedings initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.

2) In respect of its inventories: -

- The management has physically verified the inventories at reasonable intervals and during the year. In our opinion, the frequency of verification is reasonable.
- No material discrepancies noticed on verification between the physical stocks and the book records and such discrepancies have been properly dealt with in the books of accounts.

- Based upon the audit procedures performed and the information and explanations given by the management, During the Year Company has not made a Loan or Advance investments in, companies, firms, Limited Liability Partnership or any other parties

- In our Opinion Company has not made investments, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's Interest.
 - Based upon the audit procedures performed and the information and explanations given to us by the management, the repayment schedule of loans and advances has been checked and company is regular in repayment of principal and payment of interest on loans and advances.
 - As per informed to us, there is no overdue in loans and advance for more than 90 Days.
 - As per information and explanations given to us by the management there are no loan or advance in the nature of loan granted which has fallen due during the year has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - As informed to us, there are no any loans or advance in the nature of loans granted to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- In our opinion and according to the information and explanations given to us, the company has not provided any loan, guarantees, and investments to which the provision of sec 185 of the act apply.

However, regarding loans, guarantees, and Investments to which the provision of sec 186 apply, the company has complied with the provision of section.

- The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, clause is not applicable.

- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, or any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of Goods and service Tax, income tax, duty of customs outstanding on account of any dispute.
- 8) According to the information and explanations given to us and the records examined by us, the Company has not taken any loans from financial institutions and banks nor has it issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order is not applicable to the Company.
- 9) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
- (b) In our opinion company is not a declared willful defaulter by any Bank or financial institution or other lender.
- (c) As per information and explanations given to us loan was applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations no fund raised on short term basis has been utilized for long term purposes.
- (e) As per information Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) As per information Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10) (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.
- Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company and hence not commented upon.
- 11) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud has been made by the Company or on the company by its officers or employees that has been noticed or reported during the year.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, we have observed that no offence involving fraud has been committed against the company by officers or employees of the company. Hence auditor has not reported u/s (12) of section 143 of the companies Act and no forms has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based upon the audit procedures performed we have not come cross any whistle-blower complaints. Accordingly, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company and hence not commented upon.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian accounting standards.
- 14) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) we have considered, the internal audit reports issued to the company during the year and covering the period up to 31st March, 2024 for the period under audit.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the provisions of clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) In our opinion, company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) As the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3 (xvi)(d) of the Order are not applicable to the Company.
- 17) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18) There is no resignation of the statutory auditors during the year. Accordingly, the provisions of clause 3 (xviii) of the Order are not applicable to the Company.
- 19) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20) Based upon audit procedure performed and the information and explanations given by the management, the applicability of Section 135 Corporate Social responsibility are applicable on the company. The Company has spent amount of CSR Provision on both ongoing project and other than ongoing Project accordingly
- 21) Based upon the audit procedure performed, the provisions of clause 3 (xxi) of the Order are not applicable to the Company

For **B K Sood & Co.**
Chartered Accountants
FRN. 000948N

Sd/-
B. K. Sood
Partner
M. No. 080855

Place: New Delhi
Date: 22nd May, 2024

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of SWISS MILITARY CONSUMER GOODS LIMITED

(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the Internal Financial Controls over financial reporting of SWISS MILITARY CONSUMER GOODS LIMITED as of March 31, 2024 in conjunction with our audit of the Standalone 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”. 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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 with reference to the Standalone Financial Statements

A company’s Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

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

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.

Place: New Delhi

Date: 22nd May, 2024

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 **B K Sood & Co.**
Chartered Accountants
FRN. 000948N

Sd/-
B. K. Sood
Partner
M. No. 080855

Standalone Balance sheet

as at 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	110.12	105.12
(b) Financial Assets			
i) Investments	4	419.99	418.99
(c) Income tax assets (net)		8.36	-
Total Non-Current Assets		538.47	524.11
(2) Current Assets			
(a) Inventories	5	2,174.97	1,729.20
(b) Financial Assets			
i) Trade Receivables	6	3,109.31	1,427.55
ii) Cash and Cash Equivalents	7	1,983.00	2,391.44
iii) Bank Balances other than Cash and Cash Equivalents	8	1.06	-
iv) Other financial assets	9	55.94	149.26
(c) Other Current Assets	10	1,061.07	1,009.76
Total Current Assets		8,385.35	6,707.21
TOTAL ASSETS		8,923.82	7,231.32
EQUITY AND LIABILITIES			
(1) Equity			
a) Equity Share Capital	11	3,931.88	3,931.88
b) Other Equity	12	3,181.55	2,674.32
Total Equity		7,113.43	6,606.20
(2) LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	13	16.61	-
(b) Deferred tax liabilities (net)		0.31	0.14
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables	14	1,546.95	509.09
ii) Other Financial Liabilities	15	44.92	36.98
(b) Other Current Liabilities	16	201.60	74.02
(c) Income tax liabilities (net)		-	4.89
Total Current Liabilities		1,810.39	625.12
TOTAL EQUITY AND LIABILITIES		8,923.82	7,231.32
Corporate information	1		
Significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Standalone Statement of Profit and Loss

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	Yearly ended 31 st March, 2024	Year ended 31 st March, 2023
I Revenue from Operations	17	18,122.99	12,220.81
II Other Income	18	238.38	82.65
III Total Income (I+II)		18,361.37	12,303.47
IV Expenses			
Purchases of stock in trade		15,683.13	11,461.33
Change in Inventories of stock in trade		(445.77)	(1,252.92)
Employee benefits expenses	19	646.92	494.81
Finance Cost	20	2.29	-
Depreciation and amortization expenses	3	19.01	14.92
Other Expenses	21	1,379.47	932.53
Total Expenses (IV)		17,285.05	11,650.67
V Profit / (Loss) before exceptional items and tax(III-IV)		1,076.32	652.80
VI Exceptional items			
VII Profit / (Loss) before tax		1,076.32	652.80
VIII Tax Expenses:			
(1) Current Tax		254.36	134.69
(2) Deferred Tax		0.18	0.29
IX Profit / (Loss) after tax for the period		821.78	517.82
X Other Comprehensive Income			
XI Total Comprehensive Income for the period (IX+XI)		821.78	517.82
a) Basic (₹)		0.42	0.26
b) Diluted (₹)		0.42	0.26
Corporate information	1		
Significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

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Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Standalone Cash Flow Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profit / (Loss) before tax	1,076.32	652.80
Adjustments for:		
Depreciation	19.01	14.92
Interest Income on Fixed Deposit	(114.32)	(63.08)
Interest Expenses	2.29	-
Exchange fluctuation (net)	1.45	(2.36)
Operating (Loss) / Profit before working capital changes	984.75	602.27
Change in Working Capital		
Adjustments for (Increase) / Decrease in Operating Assets		
Inventories	(445.77)	(1,252.92)
Trade Receivables	(1,681.76)	(703.63)
Other financial assets	92.26	(126.86)
Other current assets	(51.32)	(558.10)
Income tax Assets (net)	(8.36)	0.71
Adjustments for Increase / (Decrease) in Operating Liabilities		
Trade payables	1,037.87	254.08
Other Financial Liabilities	7.94	(8.04)
Other Current Liabilities	127.56	43.11
Income tax liabilities (net)	(4.89)	4.89
Cash Generated / (used in) from Operating Activities (A)	58.28	(1,744.49)
Taxes Paid	(254.36)	(134.69)
Net Cash Generated / (used in) from Operating Activities (A)	(196.08)	(1,879.17)
Cash flow from Investing Activities		
Interest Income on Fixed Deposit	114.32	63.08
Exchange fluctuation (net)	(1.45)	2.36
Payment for Purchase PPE	(32.49)	(68.39)
Receipt from Sale of PPF	8.48	-
From Non-Current Investment	(1.00)	-
Net Cash from / (used in) Investing Activities (B)	87.86	(2.95)

Standalone Cash Flow Statement (contd.)

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cash flow from Financing Activities		
Proceeds from Rights issue	-	4,423.36
Dividend Paid	(314.55)	-
Interest Paid	(2.29)	-
Proceeds from Borrowings	16.61	(675.00)
Net cash from / (used in) Financing Activities (C)	(300.23)	3,748.36
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	(408.45)	1,866.25
Cash & Cash equivalents at beginning of the year	2,391.44	525.20
Cash & Cash equivalents at end of the year	1,983.00	2,391.44

Notes:

- The above Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard-7 Statement of Cash Flows.
- Previous years figures have been regrouped/ rearranged/ recasted wherever necessary to make them comparable with those of current year.

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Standalone Statement of Change in Equity

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

(a) Equity Share Capital

Particulars	As at 31 st March.2024	As at 31 st March.2023
	No. of Shares	Amount
Equity Share Capital as at beginning of the year	3,931.88	1,965.94
Add: Equity Share Capital issued during the year	-	1,965.94
Equity Shares Capital at the end of the year	3,931.88	3,931.88

(b) Other Equity

Particulars	Reserves & Surplus				Other Comprehensive Income		
	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2022	4.00	764.13	199.11	(1,268.15)	-	-	(300.92)
Profit / (Loss) for the year	-	-	-	517.82	-	-	517.82
On Right Issue	-	2,457.42	-	-	-	-	2,457.42
On Subsidiary	-	-	-	-	-	-	-
Balance as at 31st March 2023	4.00	3,221.55	199.11	(750.34)	-	-	2,674.32
Profit / (Loss) for the year	-	-	-	821.78	-	-	821.78
Dividend Paid	-	-	-	(314.55)	-	-	(314.55)
Balance as at 31st March, 2024	4.00	3,221.55	199.11	(243.11)	-	-	3,181.55

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Notes to the Accounting Policies

1. CORPORATE INFORMATION

Swiss Military Consumer Goods Limited ("the Company") is a Public Limited Company incorporated in India with its registered office at W-39, Okhla Industrial Area, New Delhi - 110020. The Company has its Listings on the BSE Ltd.

The financial statements for the year ended March 31, 2024 are authorised for issue by the Board of Directors at their meeting held on May 22, 2024.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and measurement

The financial statements of the company have been prepared in accordance with the Indian Accounting Standard (Ind AS), the provisions of the companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements of the company have been prepared as per notification of Ministry of Corporate Affairs (MCA) dated March 24, 2021, amended Schedule III of the companies Act 2013 with effect from April 1, 2021.

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.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product / activities of the Company and the normal time between acquisition of assets/liabilities and their realisation / settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

c) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and

reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in para (d) below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

i) Expected credit loss:

The Company has considered the current and anticipated future conditions relating to industries the Company deals with. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of defaults in future and has taken into account estimates of possible effect from the pandemic, COVID-19 using the forward looking approach prescribed by Ind AS 109.

ii) Impact on unhedged foreign currency exposure:

Based on its assessment, the Company believes that the probabilities of occurrence of its forecasted transactions are not likely to be impacted by COVID-19. Hence, the Company continues to believe that there is no foreseeable impact on the effectiveness of its cash flow hedges due to this global pandemic.

d) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Notes to the Accounting Policies

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

i) Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjust to reflect the current best estimates.

ii) Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

e) 'Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under "Capital work-in-progress". 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 cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from

the financial statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

f) Intangible Assets: -

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence demand, competition, and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from assets.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognized or on disposal.

g) Impairment of tangible assets intangible assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts 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 unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset 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 the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change

Notes to the Accounting Policies

in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight-line method over the estimated useful lives.

i) Inventories: -

i) Basis of valuation:

Inventories are valued at the lower of cost or net realizable value. Cost of inventories has been measured on FIFO basis & comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The comparison of cost and net realizable value is made on item-by-item basis.

ii) Method of valuation:

Cost of traded goods has been determined by using first-in-first-out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Due allowances are made in respect of slow-moving, non-moving and obsolete inventory based on estimates made by the management.

j) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions. Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Statement of Profit and Loss and reported within exchange gains / (losses) on translation of assets and liabilities, net, except when deferred in "other comprehensive income" as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings.

Notes to the Accounting Policies

k) Revenue Recognition

i) Revenue from customers

Revenue from customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

ii) Other income

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/ loss on capital market in future & Options. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

l) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which these incurred except loan processing fees which is recognized as per effective rate of interest method.

m) Financial Instruments

Initial recognition and measurement:

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost –

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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. Financial assets measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortization is included in finance income in the statement of profit and loss.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently, if maturing after 12 months' period, carried at amortised cost using the effective interest method, less any impairment loss.

Following financial assets are measured at amortised cost:-

- (i) Security deposit
- (ii) Cash and cash equivalent
- (iii) Advances adjustable with other financial instrument

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) –

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

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

iii) Financial assets at Fair Value through Profit and loss (FVTPL) –

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI

Notes to the Accounting Policies

criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

iv) Impairment of financial assets –

The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

i) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits, advances refundable and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

ii) Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

Investment in Equity Instrument of Joint Venture/ partnership.

Investment in equity instruments of joint ventures are measured at cost as per Ind AS 27- Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value other than investment in subsidiary, Associates and Joint Ventures.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the

holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

Fair value measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the company. 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. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Notes to the Accounting Policies

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities –

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

n) Income Tax

i) Current Income Tax

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using

the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

ii) Deferred Tax:

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in Other Comprehensive Income or equity respectively.

iii) Dividend Distribution Tax:

Tax on Dividends declared by the Company is recognised as an appropriation of Profit.

o) Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Post retirement employee benefits:

The Company operates the following post-employment schemes

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

Notes to the Accounting Policies

The above post retirement employee benefits are not applicable to the company.

iii) Other employee benefits:

The liabilities for earned leaves and compensated absences are settled at the year end.

p) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where inflows of economic benefits are possible.

q) Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

r) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

s) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed

Notes to the Accounting Policies

converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors

t) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

u) Segment Reporting

The Company is primarily engaged in trading activities. Since this segment meets the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers this as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

v) Financial Risk Management

Risk management framework

The Company's Board of Director has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Policy.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit function, which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables: -

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

B. Liquidity Risk

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

Notes to the Accounting Policies

C. Market Risk

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and

long term and other strategic investment plans. The funding requirements are met through a mix of equity, borrowings and operating cash flows.

Interest rate risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and variable rate borrowings.

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Land	Vehicles	Plant & Machinery	Office Equipment	Furniture & Fixtures	Total
Gross Carrying Value						
As at 1st April 2022	-	-	44.54	0.92	15.28	60.74
Addition During the period	-	18.00	18.16	5.95	26.28	68.39
Adjustments / (Deletions) During the year	-	-	-	-	-	-
As at 31st March 2023	-	18.00	62.70	6.87	41.56	129.13
Gross Carrying Value						
As at 1st April 2023	-	18.00	62.70	6.87	41.56	129.13
Addition During the period	-	22.08	5.90	2.68	1.83	32.49
Adjustments / (Deletions) During the year	-	-	(8.48)	-	-	(8.48)
As at 31st March, 2024	-	40.08	60.12	9.55	43.39	153.14
Depreciation / Amortization						
As at 1st April 2022	-	-	5.84	0.18	3.07	9.09
Provided for the period	-	1.07	10.12	0.99	2.74	14.92
Adjustments / (Deletions) During the year	-	-	-	-	-	-
As at 31st March 2023	-	1.07	15.96	1.17	5.81	24.01
Depreciation / Amortization						
As at 1st April 2023	-	1.07	15.96	1.17	5.81	24.01
Provided for the period	-	2.79	11.91	1.46	2.85	19.01
Adjustments / (Deletions) During the year	-	-	-	-	-	-
As at 31st March, 2024	-	3.86	27.87	2.63	8.66	43.02
NET CARRYING VALUE						
As at 31st March 2023	-	16.93	46.74	5.70	35.74	105.12
As at 31st March, 2024	-	36.22	32.25	6.92	34.73	110.12

Note No. 4 : NON-CURRENT INVESTMENTS

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Quantity	Amount	Quantity	Amount
Measured at Cost - Equity Instruments				
Unquoted : Fully Paid-Up				
AAA Shenyang Containers Seal Pvt. Ltd.	20,76,112	418.99	20,76,112	418.99
SM Travel Gear Private Limited	10,000	1.00	-	-
Total	20,86,112	419.99	20,76,112	418.99

Note No. 5 : INVENTORIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Stock in Trade	2,174.97	1,729.20
Total	2,174.97	1,729.20

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 6 : TRADE RECEIVABLES *

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade receivables considered good - Unsecured	3,109.31	1,427.55
Total	3,109.31	1,427.55

* Trade receivables ageing schedule are disclosed in note 22

Note No. 7 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Cash on hand	1.13	0.20
Balance with bank :		
- in current accounts	260.53	126.22
- in deposit accounts with original maturity of three month or less	1,721.34	2,265.02
Total	1,983.00	2,391.44

Note No. 8 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Emarked Balances with Banks - Unpaid Dividends (refer note no 14)	1.06	23.36
Total	1.06	23.36

Note No. 9 : OTHER FINANCIAL ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Interest accrued on deposits	19.86	37.24
Security Deposits	36.08	112.02
Total	55.94	149.26

Note No. 10 : OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Prepaid Expenses	20.02	69.22
Advance to employees	17.83	3.67
Advance for supply of Goods / Service	982.19	858.92
Income tax refund	5.26	-
Balance with Government Authorities	35.77	77.95
Total	1,061.07	1,009.76

Notes to the Standalone Financial Statement

 for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 11 : EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
AUTHORISED CAPITAL		
26,25,00,000 (Previous year 26,25,00,000) Equity Shares of face value of ₹2/-	5,250	5,250
6,00,000 (Previous year 6,00,000) Preference share of face value of ₹100/-	600	600
	5,850	5,850
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
19,65,93,992 (Previous year 19,65,93,992) Equity Shares of face value of ₹2/-	3,931.88	3,931.88
	3,931.88	3,931.88

a) RIGHTS, PREFERENCE AND RESTRICTIONS

The company has only one class of shares referred to as equity shares having a face value of ₹2/- each. Holder of equity shares is entitled to one vote per share.

b) ISSUE OF SHARES ON RIGHTS BASIS

The Board of Directors at their meeting held on September 07, 2022 allotted 9,82,96,996 equity shares of face value of ₹2/- each at a price of ₹4.50/- per share (including premium of ₹2.50/- per equity share), on rights basis in the ratio of 1 equity share for every 1 existing fully-paid equity share, held by the eligible equity shareholders as on the record date i.e. July 23, 2022.

c) RECONCILIATION OF NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR IS SET OUT BELOW:

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	19,65,93,992	3,931.88	9,82,96,996	1,965.94
Add: Shares issued during the year	-	-	9,82,96,996	1,965.94
Number of shares at the end	19,65,93,992	3,931.88	19,65,93,992	3,931.88

d) THE DETAILS OF SHAREHOLDING OF PROMOTERS & PROMOTERS GROUP IS SET OUT BELOW :-

Name	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	%	No. of Shares	%
Promoters				
Anushi Retail LLP	11,73,50,684	59.69	11,73,50,684	59.69
Promoters Group				
Pankaj Shrimali	48,46,800	2.47	48,46,800	2.47
Madhuri Shrimali	33,37,200	1.70	33,37,200	1.70

e) THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IS SET OUT BELOW :-

Name	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	%	No. of Shares	%
Anushi Retail LLP	11,73,50,684	59.69	11,73,50,684	59.69
Uninet Strategic Advisory Limited	1,23,47,886	6.28	2,18,76,131	11.13

Notes to the Standalone Financial Statement

 for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 12 : OTHER EQUITY

Particulars	Reserves & Surplus				Other Comprehensive Income		
	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2022	4.00	764.13	199.11	(1,268.15)	-	-	(300.92)
Profit / (Loss) for the period	-	-	-	517.82	-	-	517.82
On Right Issue	-	2,457.42	-	-	-	-	2,457.42
On Subsidiary	-	-	-	-	-	-	-
Balance as at 31st March, 2023	4.00	3,221.55	199.11	(750.34)	-	-	2,674.32
Balance as at 1st April, 2023	4.00	3,221.55	199.11	(750.34)	-	-	2,674.32
Profit / (Loss) for the period	-	-	-	821.78	-	-	821.78
Dividend Paid	-	-	-	(314.55)	-	-	(314.55)
Balance as at 31st March, 2024	4.00	3,221.55	199.11	(243.11)	-	-	3,181.55

Note No. 13 : BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Vehicle Loan from Bank	16.61	-
Total	16.61	-

Note No. 14 : TRADE PAYABLES *

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total outstanding dues of micro enterprises and small enterprises	471.19	309.39
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,075.77	199.70
Total	1,546.95	509.09

* Trade payable ageing schedule are disclosed in note 23

Note No. 15 : OTHER FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Employees Benefits Payable	36.80	35.75
Unpaid Dividends	1.06	-
Others	7.05	1.22
Total	44.92	36.98

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 16 : OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Statutory Dues	9.74	0.79
Advance from Customers	191.86	73.23
Total	201.60	74.02

Note No. 17 : REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sales	18,122.99	12,220.81
Total	18,122.99	12,220.81

Note No. 18 : OTHER INCOME

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest from Fixed Deposits	114.32	63.08
Exchange fluctuation (net)	(1.45)	2.36
Transportation & Courier Charges Received	-	1.49
Miscellaneous income	125.51	15.72
Total	238.38	82.65

Note No. 19 : EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Establishment Expenses	640.76	486.34
Staff Welfare Expenses	6.16	8.48
Total	646.92	494.81

Note No. 20 : FINANCE COST

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest on Borrowings	0.31	-
Interest on Income Tax	1.98	-
Total	2.29	-

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 21 : OTHER EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Travelling	72.94	52.07
Conveyance	60.24	47.97
Payment to Auditors (Refer note no. 19.1)	2.40	2.87
Advertisement and sales promotion	183.39	136.99
Online Selling Expenses	325.91	155.66
Warehousing Expenses	224.38	113.77
Logistic Charges	270.94	184.61
Printing and Stationery	6.40	3.90
Postage, telegram and telephone expenses	2.42	0.80
Commission & Brokerage	19.83	40.85
Insurance Expenses	5.42	5.86
Fees & Taxes	11.70	32.27
Listing Fees	10.56	10.39
Professional and Consultancy Charges	66.52	51.52
Repair and Maintenance	5.48	14.47
Electricity, Water Charges & others	1.61	6.62
Director's Sitting Fee	6.80	4.50
Website and IT Expenses	17.89	4.31
Festival Expenses	8.10	6.72
Security Expenses	0.86	2.07
Corporate Social Responsibility	12.00	-
Office Expenses	45.64	41.91
Miscellaneous expenses	18.04	12.38
Total	1,379.47	932.53

Note No. 21.1 : PAYMENTS TO AUDITORS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Statutory Audit & Limited Review	2.00	2.00
Other Services	0.40	0.87
Total	2.40	2.87

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 22 : TRADE RECEIVABLES AGEING

Disclosure is hereby given on ageing schedule of trade receivables in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013.

Particulars						Total
	Within 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	
As at March 31, 2024						
Undisputed Trade Receivables						
Considered Good	2,880.88	118.52	107.97	1.94	-	3,109.31
Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered Good	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-
Total	2,880.88	118.52	107.97	1.94	-	3,109.31
As at March 31, 2023						
Undisputed Trade Receivables						
Considered Good	1,187.91	199.24	37.70	2.70	-	1,427.55
Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered Good	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-
Total	1,187.91	199.24	37.70	2.70	-	1,427.55

* Refer note no. 6

Note No. 23 : TRADE PAYABLES

Disclosure is hereby given on ageing schedule of trade payables Act, 2013. in pursuant to Division II - Ind AS schedule III to the Companies

Particulars						Total
	Not Due	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	
As at March 31, 2024						
Undisputed dues						
Micro and Small Enterprises	-	471.19	-	-	-	471.19
Others	-	1,051.81	23.94	0.02	-	1,075.77
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	-	1,523.00	23.94	0.02	-	1,546.96
As at March 31, 2023						
Undisputed dues						
Micro and Small Enterprises	-	309.39	-	-	-	309.39
Others	-	199.68	0.02	-	-	199.70
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	-	509.07	0.02	-	-	509.09

* Refer note no. 14

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 24 : CONTINGENT LIABILITIES

Particulars	Total	
	As at 31 st March, 2024	As at 31 st March, 2023
<u>Brief particulars of litigation:</u> The matter is under appeal filed by Company with Hon'ble High Court of Delhi against the order passed by Saket Court, Ms. Jyoti Kler, ADJ-07 in favor of Mr. Satish Somani on account of recovery of maintenance charges paid by Mr. Somani to the mall authorities against the shop let out to the company. <u>Parties Involved:</u> Swiss Military Consumer Goods Limited Vs. Mr. Satish Somani. <u>Court under which pending:</u> Hon'ble High Court of Delhi	10.79	10.79
<u>Brief particulars of litigation:</u> The matter is under appeal filed by Company with Commissioner of Income Tax of Delhi against the order dated 7.12.2021 u/s 270A of the Act framed by learned Additional/Joint/Deputy/Assistant Commissioner of Income Tax/ Income Tax Officer, National Faceless Assessment Centre, New Delhi for A.Y. 2017-18. <u>Parties Involved:</u> Swiss Military Consumer Goods Limited Vs. Income Tax <u>Court under which pending:</u> Commissioner of Income Tax of Delhi	13.53	13.53
Total	24.32	24.32

Note No. 25 :-

- The Company has invested an amount of ₹4,18,99,280/- (Rupees Four Crore Eighteen Lakh Ninety Nine Thousand Two Hundred Eighty only) in the wholly owned subsidiary company i.e. AAA Shenyang Container Seal Pvt Ltd. The subsidiary company is engaged in the business of RFID e-seals, other security seals and parts, electronic information technology development, electronic product sales etc.
- The Company has invested an amount of ₹1,00,000/- (Rupees One Lakh only) in the wholly owned subsidiary company i.e. SM Travel Gear Pvt Ltd. The subsidiary company is engaged in the manufacturing of travel luggages and bags.

Note No. 26 : RELATED PARTY DISCLOSURES

1. Related Party Disclosures for the period ended 31st March, 2024 in accordance with Indian Accounting Standard (Ind AS)-24.

a) List of related parties & relationships, where control exists.

Sr. No.	Nature of Relationship	Name of Parties
1	Holding Company	Nil
2	Subsidiary Company	AAA Shenyang Container Seal Private Limited SM Travel Gear Private Limited
3	Associates	Nil
4	Key Management Personnel & their relatives	Mr. Ashok Kumar Sawhney (Non-Executive Chairman) Mr. Anuj Sawhney (Managing Director) Mrs. Ashita Sawhney (Non-Executive Director) Mr. Vijay Kalra (Chief Financial Officer) Mr. Vikas Jain (Company Secretary)
5	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives	Swiss Military Life Style Products Private Limited Promoshirts SM Private Limited Anushi Retail LLP
6	Non-Executive Independent Directors	Mr. Surendra Kumar Bhagat Mr. Rajesh Tuteja Mr. Inder Dutt Mr. Chirag Gupta

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

b) Transactions with Related Parties

Transactions	Promoter & Promoter Group	Subsidiaries	Associates	Directors & Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives
1 Remuneration	Nil (Nil)	Nil (Nil)	Nil (Nil)	132.50 (73.30)	Nil (Nil)	Nil (Nil)
2 Loan Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	- (325.00)
3 Repayment of Loan / Adjusted against allotment of shares in Rights Issue	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (1,000.00)
4 Sitting fees to Non - executive directors of the company	Nil (Nil)	Nil (Nil)	Nil (Nil)	6.80 (4.50)	Nil (Nil)	Nil (Nil)
5 Interest paid on Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6 Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.22 (24.86)
7 Dividend Received	Nil (Nil)	83.04 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8 Dividend Paid	200.86 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
9 Investment in Subsidiary (Refer Note No. 25)	Nil (Nil)	1.00 (209.50)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
10 Purchase of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (308.34)
11 Outstanding as on 31st March, 2023						
(a) Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(b) Loan Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(c) SM Travel Gear Private Limited	Nil (Nil)	1.00 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(d) Remuneration Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.90 (2.03)	Nil (Nil)	Nil (Nil)

- Notes:** 1. Figures in bracket represent previous year amounts.
2. Figures has been Regrouped/Rearranged accordingly

Notes to the Standalone Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 27 : FINANCIAL RATIOS

Financial Ratios are hereby given in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013

Particulars	UoM	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variation for cases with more than 25%
Current Ratio	Times	Current Assets	Current Liabilities	4.63	10.73	(56.83)	Increase in Trade Payable & Decrease in Deposits
Debt-Equity Ratio	Times	Total Debt	Shareholder's Equity	0.00	-	-	-
Debt Service Coverage Ratio	Times	Earnings Available for Debt Service	Debt Service	58.08	-	-	-
Trade Receivables Turnover Ratio	Times	Net Credit Sales	Trade Receivables (Average)	12.19	11.36	7.26	-
Trade Payables Turnover Ratio	Times	Net Credit Purchases	Trade Payables (Average)	15.26	30.00	(49.15)	Increase in Trade Payable
Net Capital turnover Ratio	Times	Net Sales	Working Capital (Average)	2.86	3.36	(14.76)	-
Inventory Turnover Ratio	Times	Cost of Goods Sold	Inventory (Average)	7.81	9.26	(15.68)	-
Return on Equity (ROE)	%	Net Profit after Tax before OCI	Shareholder's Equity (Average)	11.98	12.52	(4.32)	-
Net profit Ratio	%	Net Profit after Tax before OCI	Net Sales	4.53	4.24	7.02	-
Return on Capital employed (ROCE)	%	Earnings before Interest and Taxes	Capital Employed (Average)	15.72	15.78	(0.39)	-
Return on Investment	%	Income Generated from Invested Funds	Invested Funds (Average)	23.03	23.83	(3.34)	-

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

Unique Document Identification Number (UDIN) for this document is **24080855BKFINX6659**

To the Members of Swiss Military Consumer Goods Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of **Swiss Military Consumer Goods Limited**, and its subsidiaries i.e., **AAA Shenyang Container Seal Pvt Ltd** (the company), **AND SM Travel Gear Private Limited** which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of changes in Equity and the Consolidated statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid **Consolidated** financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its Consolidated Profit, its Consolidated total comprehensive income, its Consolidated changes in equity and its cash flows for the year on that date.

Description of Key Audit Matters:

Key audit matters	How our audit addressed the key audit matter
Provisions, Litigations, Claims and Contingent Liabilities: (Refer Note- 22)	Our audit procedures included the following: <ul style="list-style-type: none"> We tested the design, implementation and operating effectiveness of key internal controls around the recognition and measurement of provisions. We inquired the status in respect of significant provisions with the Company's internal tax and legal team. We assessed the value of material provisions in light of the nature of the exposures, applicable regulations and related correspondence with the authorities. We challenged the assumptions and critical judgements made by the Company which impacted their estimate of provision required, considering judgements previously made by the authorities in the relevant jurisdictions or any relevant opinions given by the Company's advisors and assessing whether there was an indication of management bias. We verified the calculation of provision on a test check basis.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Key Audit Matters

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

Information Other than the consolidated Financial Statements and Consolidated Auditor's Report thereon

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

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the **Consolidated** financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, Consolidated cash flows and Consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identified and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation override of internal control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

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

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determined that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, We give it the "Annexure-A" a statement on the matters specified in paragraph 3 and 4 of the order to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid Consolidated Financial statements.
- 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.

- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss & the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by company to its directors during the year is in accordance with the provisions of 197 of the Act.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company does not have any pending litigations which would impact its financial position
 - The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - The Board of Directors of the company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General meeting, The dividend declared is in accordance with section 123 of the Act to the extent it applies to the declaration of dividend.

Place: New Delhi
Date: 22nd May, 2024

For **B K Sood & Co.**
Chartered Accountants
FRN. 000948N
Sd/-
B. K. Sood
Partner
M. No. 080855

"Annexure A" to the Consolidated Independent Auditor's Report

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of "SWISS MILITARY CONSUMER GOODS LIMITED on the financial statements as of and for the year ended 31st March, 2024

1) In respect of its fixed assets: -

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical assets have been noticed.
- According to the information and explanations given to us and based on the examination of the title deeds of all the immovable properties (which are included under the head of property, plant and equipment) are held in the name of the Company.
- In our opinion company has not revalued Property, Plant and Equipment or Intangible assets or both during the year.
- According to information and explanation given to us there are no proceedings initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988.

2) In respect of its inventories: -

- The management has physically verified the inventories at reasonable intervals and during the year. In our opinion, the frequency of verification is reasonable.
 - No material discrepancies noticed on verification between the physical stocks and the book records and such discrepancies have been properly dealt with in the books of accounts.
- 3) Based upon the audit procedures performed and the information and explanations given by the management, During the Year Company has not made any Loan or

Advance investments in, companies, firms, Limited Liability Partnership or any other parties

- In our Opinion Company has not made investments, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's Interest.
 - Based upon the audit procedures performed and the information and explanations given to us by the management, the repayment schedule of loans and advances has been checked and company is regular in repayment of principal and payment of interest on loans and advances.
 - As per informed to us, there is no overdue in loans and advance for more than 90 Days.
 - As per information and explanations given to us by the management there are no loan or advance in the nature of loan granted which has fallen due during the year has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
 - As informed to us, there are no any loans or advance in the nature of loans granted to promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.
- 4) In our opinion and according to the information and explanations given to us, the company has not provided any loan, guarantees, and investments to which the provision of sec 185 of the act apply.
- However, regarding loans, guarantees, and Investments to which the provision of sec 186 apply, the company has complied with the provision of section.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, clause is not applicable.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, or any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of Goods and service Tax, income tax, duty of customs outstanding on account of any dispute.
- 8) According to the information and explanations given to us and the records examined by us, the Company has not taken any loans from financial institutions and banks nor has it issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order is not applicable to the Company.
- 9) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions.
- (b) In our opinion company is not a declared willful defaulter by any Bank or financial institution or other lender.
- (c) As per information and explanations given to us loan was applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations no fund raised on short term basis has been utilized for long term purposes.
- (e) As per information Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) As per information Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10 (a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(x)(b) of the Order are not applicable to the Company and hence not commented upon.
- 11 a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud has been made by the Company or on the company by its officers or employees that has been noticed or reported during the year.
- (b) Based upon the audit procedures performed and the information and explanations given by the management, we have observed that no offence involving fraud has been committed against the company by officers or employees of the company. Hence auditor has not reported u/s (12) of section 143 of the companies Act and no forms has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based upon the audit procedures performed we have not come across any whistle-blower complaints. Accordingly, the provisions of clause 3(xi)(c) of the Order are not applicable to the Company and hence not commented upon.
- 12 In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
- 13 In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the financial statements, as required by the applicable Indian accounting standards.
- 14 a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) we have considered, the internal audit reports issued to the company during the year and covering the period up to 31st March, 2024 for the period under audit.
- 15 Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16 (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the provisions of clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) In our opinion, company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) As the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3 (xvi)(d) of the Order are not applicable to the Company.
- 17 The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 18 There is no resignation of the statutory auditors during the year. Accordingly, the provisions of clause 3 (xviii) of the Order are not applicable to the Company.
- 19 On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20 Based upon audit procedure performed and the information and explanations given by the management, the applicability of Section 135 Corporate Social responsibility are applicable on the company. The Company has spent amount of CSR Provision on both ongoing project and other than ongoing Project accordingly
- 21 In our opinion, no qualification and adverse remark has been made by the respective Auditors of Subsidiary to be included in the Consolidated Financial Statement. Accordingly, the provisions of clause 3 (xxi) of the Order are not applicable to the Company.

For **B K Sood & Co.**
Chartered Accountants
FRN. 000948N

Sd/-

B. K. Sood

Partner

M. No. 080855

Place: New Delhi

Date: 22nd May, 2024

“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of SWISS MILITARY CONSUMER GOODS LIMITED

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the Internal Financial Controls over financial reporting of **SWISS MILITARY CONSUMER GOODS LIMITED** as of March 31, 2024 in conjunction with our audit of the 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 **with reference to Consolidated Financial Statements** based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s Internal Financial Controls **with reference to Consolidated Financial Statements** system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over financial reporting, including the possibility of collusion

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

Opinion

In our opinion, the Company 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, 2024, 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 **B K Sood & Co.**
Chartered Accountants
FRN. 000948N

Sd/-

B. K. Sood

Partner

M. No. 080855

Place: New Delhi

Date: 22nd May, 2024

Consolidated Balance sheet

as at 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2024	As at 31 st March, 2023
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3	141.85	136.50
(b) Income tax assets (net)		9.15	-
(c) Deferred tax assets (net)		-	0.28
Total Non-Current Assets		151.00	136.78
(2) Current Assets			
(a) Inventories	4	2,196.81	1,747.47
(b) Financial Assets			
i) Trade Receivables	5	3,394.33	1,661.81
ii) Cash and Cash Equivalents	6	2,239.13	2,747.61
iii) Bank Balances other than Cash and Cash Equivalents	7	1.06	-
iv) Other financial assets	8	57.83	149.26
(c) Other Current Assets	9	1,089.17	1,019.84
Total Current Assets		8,978.33	7,326.01
TOTAL ASSETS		9,129.33	7,462.77
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	10	3,931.88	3,931.88
(b) Other Equity	11	3,371.48	2,851.19
Total Equity		7,303.36	6,783.07
(2) LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	12	16.61	-
(b) Deferred tax liabilities (net)		0.29	-
Current Liabilities			
(a) Financial Liabilities			
i) Trade payables	13	1,549.31	546.99
ii) Other Financial Liabilities	14	50.28	40.33
(b) Other Current Liabilities	15	209.48	84.23
(c) Income tax liabilities (net)		-	8.15
Total Current Liabilities		1,825.97	679.72
TOTAL EQUITY AND LIABILITIES		9,129.33	7,462.77
Corporate information	1		
Significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	Note No.	Yearly ended 31 st March, 2024	Year ended 31 st March, 2023
I Revenue from Operations	16	19,176.43	12,999.94
II Other Income	17	163.90	87.97
III Total Income (I+II)		19,340.33	13,087.91
IV Expenses			
Purchases of stock in trade		16,530.62	12,030.33
Change in Inventories of stock in trade		(449.34)	(1,238.99)
Employee benefits expenses	18	697.25	533.02
Finance Cost	19	2.29	-
Depreciation and amortization expenses	3	23.01	22.30
Other Expenses	20	1,414.53	955.07
Total Expenses (IV)		18,218.36	12,301.73
V Profit / (Loss) before exceptional items and tax(III-IV)		1,121.97	786.19
VI Exceptional items			
			-
VII Profit / (Loss) before tax		1,121.97	786.19
VIII Tax Expenses:			
(1) Current Tax		286.56	168.65
(2) Deferred Tax		0.56	(0.09)
IX Profit / (Loss) after tax for the period		834.85	617.64
X Other Comprehensive Income			
		-	-
XI Total Comprehensive Income for the period (IX+X)		834.85	617.64
a) Basic (₹)		0.42	0.31
b) Diluted (₹)		0.42	0.31
Corporate information	1		
Significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Profit / (Loss) before tax	1,121.97	786.19
Adjustments for:		
Depreciation	23.01	22.30
Interest Income on Fixed Deposit	(122.42)	(68.21)
Interest Expenses	2.29	-
Exchange fluctuation (net)	0.98	(2.36)
Loss on sale of Fixed Assets	0.09	
Operating (Loss) / Profit before working capital changes	1,025.92	737.92
Change in Working Capital		
Adjustments for (Increase) / Decrease in Operating Assets		
Inventories	(449.34)	(1,238.99)
Trade Receivables	(1,732.51)	(708.20)
Other financial assets	90.37	(58.58)
Other current assets	(69.33)	(558.10)
Income tax Assets (net)	(9.15)	0.71
Adjustments for Increase / (Decrease) in Operating Liabilities		
Trade payables	1,002.32	254.08
Other Financial Liabilities	9.95	(8.04)
Other Current Liabilities	125.23	88.87
Income tax liabilities (net)	(8.15)	4.89
Cash Generated / (used in) from Operating Activities (A)	(14.69)	(1,485.45)
Taxes Paid	(286.56)	(168.65)
Net Cash Generated / (used in) from Operating Activities (A)	(301.25)	(1,654.09)
Cash flow from Investing Activities		
Interest Income on Fixed Deposit	122.42	68.21
Exchange fluctuation (net)	(0.98)	2.36
Payment for Purchase PPE	(36.92)	(69.72)
Receipt from Sale of PPF	8.48	-
Net Cash from / (used in) Investing Activities (B)	93.00	0.85

Consolidated Cash Flow Statement (contd.)

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Cash flow from Financing Activities		
Proceeds from Rights issue	-	4,423.36
Dividend Paid	(314.55)	-
Interest Paid	(2.29)	-
Proceeds from Borrowings	16.61	(675.00)
Net cash from / (used in) Financing Activities (C)	(300.23)	3,748.36
Net Increase / (Decrease) in Cash and Cash equivalents (A+B+C)	(508.48)	2,095.12
Cash & Cash equivalents at beginning of the year	2,747.61	652.49
Cash & Cash equivalents at end of the year	2,239.13	2,747.61

Notes:

- The above Cash Flow Statement has been prepared under Indirect Method as set out in Indian Accounting Standard-7 Statement of Cash Flows.
- Previous years figures have been regrouped/ rearranged/ recasted wherever necessary to make them comparable with those of current year.

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Consolidated Statement of Change in Equity

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

(a) Equity Share Capital

Particulars	As at	As at
	31 st March.2024	31 st March.2023
	No. of Shares	Amount
Equity Share Capital as at beginning of the year	3,931.88	1,965.94
Add: Equity Share Capital issued during the year	-	1,965.94
Equity Shares Capital at the end of the year	3,931.88	3,931.88

(b) Other Equity

Particulars	Reserves & Surplus				Other Comprehensive Income		
	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2022	4.00	764.13	199.11	(1,268.15)	-	-	(300.92)
Profit / (Loss) for the year	-	-	-	617.64	-	-	617.64
On Right Issue	-	2,457.42	-	-	-	-	2,457.42
On Subsidiary	-	-	77.04	-	-	-	77.04
Balance as at 31st March 2023	4.00	3,221.55	276.15	(650.52)	-	-	2,851.19
Profit / (Loss) for the year	-	-	-	834.85	-	-	834.85
Dividend Paid	-	-	-	(314.55)	-	-	(314.55)
Balance as at 31st March, 2024	4.00	3,221.55	276.15	(130.23)	-	-	3,371.48

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

Notes to the Accounting Policies

1. CORPORATE INFORMATION

Swiss Military Consumer Goods Limited ("the Company") is a Public Limited Company incorporated in India with its registered office at W-39, Okhla Industrial Area, New Delhi - 110020. The Company has its Listings on the BSE Ltd.

The financial statements for the year ended March 31, 2024 are authorised for issue by the Board of Directors at their meeting held on May 22, 2024.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company i.e., its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation. Control is achieved when the Parent Company is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity. Significant influence, is achieved when the Parent Company has power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies. The results of subsidiaries, joint ventures and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate. The Accounting Policies of the parent company, its subsidiaries, joint ventures and associates are largely similar. However, few accounting policies are different as certain subsidiaries / associates located in different countries have to comply with the local regulatory requirements. Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint ventures and associates to bring their accounting policies in line with those used by other members of the Group. The Financial Statements of parent Company and its subsidiaries have been consolidated on line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating Intra-group transactions, balances, income and expenses in accordance with Ind AS 110 "Consolidated Financial Statement". Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. The interest of noncontrolling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's

identifiable net assets. The choice of measurement basis is made on an acquisition by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance. Impact of any insignificant and immaterial Non Controlling Interest is not considered. Foreign Subsidiaries: Items of the assets and liabilities, both monetary and non-monetary, have been translated at the exchange rates prevailing at the end of the year and items of income and expenses have been translated at the average rate prevailing during the year. Resulting exchange differences arising on translation of said items have been transferred to Foreign Currency Translation Reserve Account through Other Comprehensive Income. In case of associates, where Parent Company holds directly or indirectly through subsidiaries 20% or more equity or / and exercises significant influence, investments are accounted for by using equity method in accordance with Ind AS 28 "Investments in Associates and Joint Ventures". Post acquisition, the Parent Company accounts for its share in the change in net assets of the associates (after eliminating unrealised profits and losses resulting from transactions between the Parent Company and its associates to the extent of its share), through its statement of profit and loss, other comprehensive income and through its reserves for the balance. The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be. However, for associates, Goodwill is not separately recognised but included in the value of investments. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with Parent company's financial statements

3. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation and measurement

The financial statements of the company have been prepared in accordance with the Indian Accounting Standard (Ind AS), the provisions of the companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Notes to the Accounting Policies

The financial statements of the company have been prepared as per notification of Ministry of Corporate Affairs (MCA) dated March 24, 2021, amended Schedule III of the companies Act 2013 with effect from April 1, 2021.

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.

b) Basis of measurement

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the nature of product / activities of the Company and the normal time between acquisition of assets/liabilities and their realisation / settlement in cash or cash equivalent. The Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

c) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in para (d) below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, inventories, receivables and other current assets.

In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources on the expected future performance of the company. Based on current estimates the Company expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

i) Expected credit loss:

The Company has considered the current and anticipated future conditions relating to industries the Company deals with. In calculating expected credit loss, the Company has also considered related credit information for its customers to estimate the probability of defaults in future and has taken into account estimates of possible effect from the pandemic, COVID-19 using the forward looking approach prescribed by Ind AS 109.

ii) Impact on unhedged foreign currency exposure:

Based on its assessment, the Company believes that the probabilities of occurrence of its forecasted transactions are not likely to be impacted by COVID-19. Hence, the Company continues to believe that there is no foreseeable impact on the effectiveness of its cash flow hedges due to this global pandemic.

d) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a

Notes to the Accounting Policies

financial impact on the company and that are believed to be reasonable under the circumstances.

i) Provisions

Provisions are determined based on the best estimate required to settle the obligation at the reporting date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. These estimates are reviewed at each balance sheet date and adjust to reflect the current best estimates.

ii) Allowance for credit losses on receivables

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

e) 'Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not ready to use before such date are disclosed under "Capital work-in-progress". 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 cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposal of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

f) Intangible Assets:-

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost (net of rebates and discounts), including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence demand, competition, and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from assets.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognized or on disposal.

g) Impairment of tangible assets intangible assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts 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 unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset 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 the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been

Notes to the Accounting Policies

determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used in the production of goods and services or for the administrative purposes is classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the straight-line method over the estimated useful lives.

i) Inventories: -

i) Basis of valuation:

Inventories are valued at the lower of cost or net realizable value. Cost of inventories has been measured on FIFO basis & comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The comparison of cost and net realizable value is made on item-by-item basis.

ii) Method of valuation:

Cost of traded goods has been determined by using first-in-first-out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Due allowances are made in respect of slow-moving, non-moving and obsolete inventory based on estimates made by the management.

j) Foreign currency translation

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

Transactions and translations

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of transactions. Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are recognized in the Statement of Profit and Loss and reported within exchange gains / (losses) on translation of assets and liabilities, net, except when deferred in "other comprehensive income" as qualifying cash flow hedges. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction. The related revenue and expense are recognized using the same exchange rate.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings.

k) Revenue Recognition

i) Revenue from customers

Revenue from customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer.

Notes to the Accounting Policies

Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue and associated costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

ii) Other income

Other income is comprised primarily of interest income, dividend income, gain/loss on investment and exchange gain/ loss on capital market in future & Options. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

l) Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which these incurred except loan processing fees which is recognized as per effective rate of interest method.

m) Financial Instruments

Initial recognition and measurement:

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

Financial assets

The Company classifies its financial assets in the following categories:

i) Financial assets at amortised cost –

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets 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. Financial assets measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortization is included in finance income in the statement of profit and loss.

These are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value which usually represents cost plus transaction costs and subsequently, if maturing after 12 months' period, carried at amortised cost using the effective interest method, less any impairment loss.

Following financial assets are measured at amortised cost: -

(i) Security deposit

(ii) Cash and cash equivalent

(iii) Advances adjustable with other financial instrument

ii) Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI) –

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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.

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

iii) Financial assets at Fair Value through Profit and loss (FVTPL) –

FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Notes to the Accounting Policies

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

iv) Impairment of financial assets –

The Company assesses expected credit losses associated with its assets carried at amortised cost and fair value through other comprehensive income based on Company's past history of recovery, credit-worthiness of the counter party and existing market conditions. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach for recognition of impairment allowance as provided in Ind AS 109 – Financial Instruments, which requires expected lifetime losses to be recognised on initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in case of loans and borrowings net of directly attributable costs.

i) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits, advances refundable and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

ii) Financial liabilities at Fair Value through Profit & Loss (FVTPL)

The company has not designated any financial liabilities at FVTPL.

Investment in Equity Instrument of Joint Venture/partnership.

Investment in equity instruments of joint ventures are measured at cost as per Ind AS 27- Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value other than investment in subsidiary, Associates and Joint Ventures.

Financial Guarantee Contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because the beneficiary fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their applicable fair values.

De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

Fair value measurement

Company measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to the company. 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. The company uses valuation techniques that are appropriate in the circumstances and for which

Notes to the Accounting Policies

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities –

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

n) Income Tax

i) Current Income Tax

Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent

that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

ii) Deferred Tax:

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.

Current and Deferred Tax are recognised in the Statement of Profit and Loss except to items recognised directly in Other Comprehensive income or equity in which case the deferred tax is recognised in Other Comprehensive Income or equity respectively.

iii) Dividend Distribution Tax:

Tax on Dividends declared by the Company is recognised as an appropriation of Profit.

o) Employee Benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Notes to the Accounting Policies

ii) Post retirement employee benefits:

The Company operates the following post-employment schemes

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

The above post retirement employee benefits are not applicable to the company.

iii) Other employee benefits:

The liabilities for earned leaves and compensated absences are settled at the year end.

p) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more

uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However, the same are disclosed in the financial statements where inflows of economic benefits are possible.

q) Cash and cash equivalents

Cash and cash equivalents for the purpose of presentation in the statement of cash flows comprises of cash at bank and in hand, bank overdraft and short term highly liquid investments/bank deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

r) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.

s) Earnings Per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Notes to the Accounting Policies

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors

t) Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

u) Segment Reporting

The Company is primarily engaged in trading activities. Since this segment meets the aggregation criteria as per the requirements of Ind AS 108 on 'Operating segments', the management considers this as a single reportable segment. Accordingly, disclosure of segment information has not been furnished.

v) Financial Risk Management Risk management framework

The Company's Board of Director has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Policy.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit function, which regularly reviews risk management controls and procedures, the results of which are reported to the Audit Committee.

The Company has exposure to Credit, Liquidity and Market risks arising from financial instruments:

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Trade and other receivables: -

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for Creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limits are established for each customer and reviewed periodically.

At the end of the reporting period, there are no significant concentrations of credit risk. The carrying amount reflected above represents the maximum exposure to credit risk.

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to

Notes to the Accounting Policies

ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

C. Market Risk

Market risk is the risk that changes in market prices such as commodity prices risk, foreign exchange rates and interest rates which will affect the Company's financial position. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables.

Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business

continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through a mix of equity, borrowings and operating cash flows.

Interest rate risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk because company borrows funds at both fixed and floating interest rates. The risk is managed by the company by maintaining an appropriate mix between fixed and variable rate borrowings.

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	Vehicles	Plant & Machinery	Office Equipment	Furniture & Fixtures	Total
Gross Carrying Value					
As at 1st April 2022	-	93.27	1.27	15.71	110.25
Addition During the period	18.00	18.16	7.28	26.28	69.72
Adjustments / (Deletions) During the year	-	-	-	-	-
As at 31st March 2023	18.00	111.43	8.54	41.98	179.96
Gross Carrying Value					
As at 1st April 2023	18.00	111.43	8.54	41.98	179.96
Addition During the period	25.37	6.65	3.08	1.83	36.93
Adjustments / (Deletions) During the year	-	(10.87)	-	-	(10.87)
As at 31st March 2024	43.37	107.21	11.62	43.81	206.02
Depreciation / Amortization					
As at 1st April 2022	-	17.49	0.33	3.35	21.17
Provided for the period	1.07	17.07	1.39	2.77	22.30
Adjustments / (Deletions) During the year	-	-	-	-	-
As at 31st March 2023	1.07	34.56	1.72	6.12	43.46
Depreciation / Amortization					
As at 1st April 2023	1.07	34.56	1.72	6.12	43.46
Provided for the period	4.28	13.97	1.88	2.87	23.01
Adjustments / (Deletions) During the year	-	(2.31)	-	-	(2.31)
As at 31st March 2024	5.35	46.22	3.60	8.99	64.16
NET CARRYING VALUE					
As at 31st March 2023	16.93	76.87	6.82	35.87	136.50
As at 31st March.2024	38.02	60.99	8.02	34.82	141.85

Note No. 4 : INVENTORIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Stock in Trade	2,196.81	1,747.47
Total	2,196.81	1,747.47

Note No. 5 : TRADE RECEIVABLES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade receivables considered good - Unsecured *	3,394.33	1,661.81
Total	3,394.33	1,661.81

* Trade receivables ageing schedule are disclosed in note 21

Notes to the Consolidated Financial Statement

 for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 6 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Cash on hand	1.15	0.24
Balance with bank :		
- in current accounts	316.64	396.77
- in deposit accounts with original maturity of three month or less	1,921.34	2,350.61
Total	2,239.13	2,747.61

Note No. 7 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Emarked Balances with Banks - Unpaid Dividends (refer note no 14)	1.06	23.36
Total	1.06	23.36

Note No. 8 : OTHER FINANCIAL ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Interest accrued on deposits	21.35	37.24
Security Deposits	36.48	112.02
Total	57.83	149.26

Note No. 9 : OTHER CURRENT ASSETS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Prepaid Expenses	20.02	69.22
Advance to employees	17.94	3.75
Advance for supply of Goods / Service	1,009.18	868.92
Income tax refund	5.26	-
Balance with Government Authorities	35.77	77.95
Other	1.00	
Total	1,089.17	1,019.84

Note No. 10 : EQUITY SHARE CAPITAL

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
AUTHORISED CAPITAL		
26,25,00,000 (Previous year 26,25,00,000) Equity Shares of face value of ₹2/-	5,250	5,250
6,00,000 (Previous year 6,00,000) Preference share of face value of ₹100/-	600	600
	5,850	5,850
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
19,65,93,992 (Previous year 19,65,93,992) Equity Shares of face value of ₹2/-	3,931.88	3,931.88
	3,931.88	3,931.88

Notes to the Consolidated Financial Statement

 for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

a) RIGHTS, PREFERENCE AND RESTRICTIONS

The company has only one class of shares referred to as equity shares having a face value of ₹2/- each. Holder of equity shares is entitled to one vote per share.

b) ISSUE OF SHARES ON RIGHTS BASIS

The Board of Directors at their meeting held on September 07, 2022 allotted 9,82,96,996 equity shares of face value of ₹2/- each at a price of ₹4.50/- per share (including premium of ₹2.50/- per equity share), on rights basis in the ratio of 1 equity share for every 1 existing fully-paid equity share, held by the eligible equity shareholders as on the record date i.e. July 23, 2022.

c) RECONCILIATION OF NUMBER OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR IS SET OUT BELOW:

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
Number of shares at the beginning	19,65,93,992	3,931.88	9,82,96,996	1,965.94
Add: Shares issued during the year	-	-	9,82,96,996	1,965.94
Number of shares at the end	19,65,93,992	3,931.88	19,65,93,992	3,931.88

d) THE DETAILS OF SHAREHOLDING OF PROMOTERS & PROMOTERS GROUP IS SET OUT BELOW :-

Name	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	%	No. of Shares	%
Promoters				
Anushi Retail LLP	11,73,50,684	59.69	11,73,50,684	59.69
Promoters Group				
Pankaj Shrimali	48,46,800	2.47	48,46,800	2.47
Madhuri Shrimali	33,37,200	1.70	33,37,200	1.70

e) THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IS SET OUT BELOW :-

Name	As at 31 st March, 2024		As at 31 st March, 2023	
	No. of Shares	%	No. of Shares	%
Anushi Retail LLP	11,73,50,684	59.69	11,73,50,684	59.69
Uninet Strategic Advisory Limited	1,23,47,886	6.28	2,18,76,131	11.13

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 11 : OTHER EQUITY

Particulars	Reserves & Surplus				Other Comprehensive Income		
	Capital Redemption Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings	Equity Instrument through other Comprehensive Income	Share in aggregate other Comprehensive Income of Associate(s)	Total Other Equity
Balance as at 1st April 2022	4.00	764.13	199.11	(1,268.15)	-	-	(300.92)
Profit / (Loss) for the period	-	-	-	617.64	-	-	617.64
On Right Issue	-	2,457.42	-	-	-	-	2,457.42
On Subsidiary	-	-	77.04	-	-	-	77.04
Balance as at 31st March, 2023	4.00	3,221.55	276.15	(650.52)	-	-	2,851.19
Balance as at 1st April, 2023	4.00	3,221.55	276.15	(650.52)	-	-	2,851.19
Profit / (Loss) for the period	-	-	-	834.85	-	-	834.85
Dividend Paid	-	-	-	(314.55)	-	-	(314.55)
Balance as at 31st March, 2024	4.00	3,221.55	276.15	(130.23)	-	-	3,371.48

Note No. 12 : BORROWINGS

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Vehicle Loan from Bank	16.61	-
Total	16.61	-

Note No. 13 : TRADE PAYABLES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total outstanding dues of micro enterprises and small enterprises *	471.19	309.39
Total outstanding dues of creditors other than micro enterprises and small enterprises *	1,078.12	237.60
Total	1,549.31	546.99

* Trade payable ageing schedule are disclosed in note 22

Note No. 14 : OTHER FINANCIAL LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Employees Benefits Payable	42.17	39.11
Unpaid Dividends	1.06	-
Others	7.05	1.22
Total	50.28	40.33

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 15 : OTHER CURRENT LIABILITIES

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Statutory Dues	16.19	8.14
Advance from Customers	191.86	73.23
Other Payable	1.43	2.85
Total	209.48	84.23

Note No. 16 : REVENUE FROM OPERATIONS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Sales	19,176.43	12,999.94
Total	19,176.43	12,999.94

Note No. 17 : OTHER INCOME

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest from Fixed Deposits	122.42	68.21
Exchange fluctuation (net)	(0.98)	2.36
Transportation & Courier Charges Received	-	1.49
Miscellaneous income	42.46	15.91
Total	163.90	87.97

Note No. 18 : EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Establishment Expenses	690.80	524.26
Staff Welfare Expenses	6.45	8.76
Total	697.25	533.02

Note No. 19 : FINANCE COST

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Interest on Borrowings	0.31	-
Interest on Income Tax	1.98	-
Total	2.29	-

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 20 : OTHER EXPENSES

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Travelling	72.94	52.07
Conveyance	60.51	48.67
Payment to Auditors (Refer note no. 20.1)	4.25	3.87
Advertisement and sales promotion	183.39	136.99
Online Selling Expenses	348.90	170.23
Warehousing Expenses	224.38	113.77
Logistic Charges	270.94	184.61
Printing and Stationery	6.45	3.94
Postage, telegram and telephone expenses	2.57	0.93
Commission & Brokerage	19.83	40.85
Insurance Expenses	5.51	5.86
Fees & Taxes	11.94	32.50
Listing Fees	10.56	10.39
Professional and Consultancy Charges	67.22	52.23
Repair and Maintenance	5.73	14.88
Electricity, Water Charges & others	5.00	6.72
Director's Sitting Fee	6.80	4.50
Website and IT Expenses	17.89	4.31
Festival Expenses	8.29	7.01
Security Expenses	4.42	5.43
Corporate Social Responsibility	12.00	-
Office Expenses	46.20	41.91
Miscellaneous expenses	18.81	13.40
Total	1,414.53	955.07

Note No. 20.1 : PAYMENTS TO AUDITORS

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Statutory Audit & Limited Review	3.25	2.40
Other Services	1.00	1.47
Total	4.25	3.87

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 21 : TRADE RECEIVABLES AGEING

Disclosure is hereby given on ageing schedule of trade receivables in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013.

Particulars	Within 6 months	Between 6 months and 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	Total
As at March 31, 2024						
Undisputed Trade Receivables						
Considered Good	3,139.53	144.90	107.97	1.94	-	3,394.33
Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered Good	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-
Total	3,139.53	144.90	107.97	1.94	-	3,394.33
As at March 31, 2023						
Undisputed Trade Receivables						
Considered Good	1,380.59	240.83	37.70	2.70	-	1,661.81
Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered Good	-	-	-	-	-	-
Credit Impaired	-	-	-	-	-	-
Total	1,380.59	240.83	37.70	2.70	-	1,661.81

* Refer note no. 5

Note No. 22 : TRADE PAYABLES

Disclosure is hereby given on ageing schedule of trade payables Act, 2013. in pursuant to Division II - Ind AS schedule III to the Companies

Particulars	Not Due	Within 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	Total
As at March 31, 2024						
Undisputed dues						
Micro and Small Enterprises	-	471.19	-	-	-	471.19
Others	-	1,054.16	23.94	0.02	-	1,078.12
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	-	1,525.35	23.94	0.02	-	1,549.32
As at March 31, 2023						
Undisputed dues						
Micro and Small Enterprises	-	309.39	-	-	-	309.39
Others	-	237.58	0.02	-	-	237.60
Disputed dues						
Micro and Small Enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	-	546.97	0.02	-	-	546.99

* Refer note no. 13

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 23 : CONTINGENT LIABILITIES

Particulars	Total	
	As at 31 st March, 2024	As at 31 st March, 2023
<u>Brief particulars of litigation:</u> The matter is under appeal filed by Company with Hon'ble High Court of Delhi against the order passed by Saket Court, Ms. Jyoti Kler, ADJ-07 in favor of Mr. Satish Somani on account of recovery of maintenance charges paid by Mr. Somani to the mall authorities against the shop let out to the company. <u>Parties Involved:</u> Swiss Military Consumer Goods Limited Vs. Mr. Satish Somani. <u>Court under which pending:</u> Hon'ble High Court of Delhi	10.79	10.79
<u>Brief particulars of litigation:</u> The matter is under appeal filed by Company with Commissioner of Income Tax of Delhi against the order dated 7.12.2021 u/s 270A of the Act framed by learned Additional/Joint/Deputy/Assistant Commissioner of Income Tax/ Income Tax Officer, National Faceless Assessment Centre, New Delhi for A.Y. 2017-18. <u>Parties Involved:</u> Swiss Military Consumer Goods Limited Vs. Income Tax <u>Court under which pending:</u> Commissioner of Income Tax of Delhi	13.53	13.53
Total	24.32	24.32

Note No. 24 : RELATED PARTY DISCLOSURES

1. Related Party Disclosures for the period ended 31st March, 2024 in accordance with Indian Accounting Standard (Ind AS)-24.

a) List of related parties & relationships, where control exists.

Sr. No.	Nature of Relationship	Name of Parties
1	Holding Company	Nil
2	Subsidiary Company	AAA Shenyang Container Seal Private Limited SM Travel Gear Private Limited
3	Associates	Nil
4	Key Management Personnel & their relatives	Mr. Ashok Kumar Sawhney (Non-Executive Chairman) Mr. Anuj Sawhney (Managing Director) Mrs. Ashita Sawhney (Non-Executive Director) Mr. Vijay Kalra (Chief Financial Officer) Mr. Vikas Jain (Company Secretary)
5	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives	Swiss Military Life Style Products Private Limited Promoshirts SM Private Limited Anushi Retail LLP
6	Non-Executive Independent Directors	Mr. Surendra Kumar Bhagat Mr. Rajesh Tuteja Mr. Inder Dutt Mr. Chirag Gupta

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

b) Transactions with Related Parties

Transactions	Promoter & Promoter Group	Associates	Directors & Key Management Personnel (KMP)	Relatives of Key Management Personnel	Enterprises where Significant Influence exist by Key Management Personnel or their Relatives
1 Remuneration	Nil (Nil)	Nil (Nil)	132.50 (73.30)	Nil (Nil)	Nil (Nil)
2 Loan Received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	- (325.00)
3 Repayment of Loan / Adjusted against allotment of shares in Rights Issue	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (1,000.00)
4 Sitting fees / Professional Fess to Non - executive directors of the company	Nil (Nil)	Nil (Nil)	6.90 (4.95)	Nil (Nil)	Nil (Nil)
5 Interest paid on Loan	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
6 Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	0.22 (24.86)
7 Dividend Paid	200.86 (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
8 Purchase of Goods	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (308.34)
9 Outstanding as on 31st March, 2023					
(a) Amount Receivable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(b) Loan Payable	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
(c) Remuneration Payable	Nil (Nil)	Nil (Nil)	0.90 (2.03)	Nil (Nil)	Nil (Nil)

- Notes:** 1. Figures in bracket represent previous year amounts.
2. Figures has been Regrouped/Rearranged accordingly

Notes to the Consolidated Financial Statement

for the year ended 31st March, 2024

(All amounts in Rupees Lakhs, unless otherwise stated)

Note No. 25 : FINANCIAL RATIOS

Financial Ratios are hereby given in pursuant to Division II - Ind AS schedule III to the Companies Act, 2013

Particulars	UoM	Numerator	Denominator	Current Year	Previous Year	% Variance	Reason for variation for cases with more than 25%
Current Ratio	Times	Current Assets	Current Liabilities	4.92	10.78	(54.38)	Increase in Trade Payable & Decrease in Deposits
Debt-Equity Ratio	Times	Total Debt	Shareholder's Equity	0.00	-	-	
Debt Service Coverage Ratio	Times	Earnings Available for Debt Service	Debt Service	60.71	-	-	
Trade Receivables Turnover Ratio	Times	Net Credit Sales	Trade Receivables (Average)	11.94	10.90	9.60	
Trade Payables Turnover Ratio	Times	Net Credit Purchases	Trade Payables (Average)	15.77	30.00	(47.43)	Increase in Trade Payable
Net Capital turnover Ratio	Times	Net Sales	Working Capital (Average)	2.78	3.32	(16.19)	
Inventory Turnover Ratio	Times	Cost of Goods Sold	Inventory (Average)	8.15	9.71	(15.98)	
Return on Equity (ROE)	%	Net Profit after Tax before OCI	Shareholder's Equity (Average)	11.85	14.62	(18.94)	
Net profit Ratio	%	Net Profit after Tax before OCI	Net Sales	4.35	4.75	(8.37)	
Return on Capital employed (ROCE)	%	Earnings before Interest and Taxes	Capital Employed (Average)	15.96	18.61	(14.24)	
Return on Investment	%	Income Generated from Invested Funds	Invested Funds (Average)	N.A	N.A	-	

As per our report of even date attached

For and on behalf of
B. K. Sood & Co.
Chartered Accountants
Firm Registration No. 000948N

Sd/-
CA B.K. Sood
Partner
M. No. 080855

Place : New Delhi
Date : 22nd May, 2024

For and On behalf of the Board of Directors

Sd/-
Ashok Kumar Sawhney
Chairman
DIN : 00303519

Sd/-
Vijay Kalra
Chief Financial Officer

Sd/-
Anuj Sawhney
Managing Director
DIN : 00471724

Sd/-
Vikas Jain
Company Secretary

NOTICE TO THE 35TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 35th Annual General Meeting of the Members of Swiss Military Consumer Goods Limited will be held on Friday 27th day of September, 2024 at 12:00 Noon IST through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM'), to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Financial Statements (including the Consolidated Financial Statement) of the Company for the Financial Year ended March 31, 2024, comprising of the Balance Sheet as at March 31, 2024 and the statement of Profit and Loss Account for the Financial Year ended on that date including Statement of cash flows for the year ended as at March 31, 2024, together with the Reports of Board of Directors and Auditors thereon.
- To declare a final dividend @5% equivalent to ₹0.10/- per equity share having Face Value of ₹2/- each for the Financial Year 2023-24.
- To consider appointment of a director in place of Mrs. Ashita Sawhney (DIN: 08612232), director of the Company, who retires by rotation and being eligible offers herself for re-appointment.

By order of the Board

For **Swiss Military Consumer Goods Limited**

Sd/-

Place: New Delhi
Date: 13th August, 2024

Vikas Jain
Company Secretary

Notes:

- Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Secretarial Standard 2 ("SS-2") issued by Institute of Company Secretaries of India ("ICSI") notified by the Ministry of Corporate Affairs ("MCA") details of Director retiring by rotation/seeking re-appointment at the ensuing meeting are provided in the "Annexure-I" to the Notice.
- The Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated 5 May, 2020 read with circular nos. 14/2020, 17/2020 and 10/2022 dated 8 April, 2020, 13 April, 2020 and 28 December, 2022 respectively (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. MCA had vide circular no. 09/2023 dated 25 September, 2023 has allowed the Companies whose AGM are due to be held in the year 2023 or 2024, to conduct their AGMs on or before 30 September, 2024 in accordance with the requirement provided in this Circular. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the 35th AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the 35th AGM through VC/OAVM only.
- In accordance with the MCA Circulars, provisions of the Act and SEBI Listing Regulations, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- Pursuant to the Circular No. 14/2020 dated 08 April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of

- the commencement of the Meeting by following the procedure mentioned in the Notice. All the members of the Company are encouraged to attend and vote at the AGM through VC/OVAM.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 7. All the documents referred to in the Notice and explanatory statement will be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 27, 2024. Members seeking to inspect such documents can send an e-mail to investor@swissmilitaryshop.com. The Register of Members and Share Transfer Books will remain closed from September 21, 2024 to September 27, 2024 (both days inclusive) in connection with AGM and for the purpose of Dividend.
 8. Final Dividend @ 5% i.e. ₹0.10/- per equity share for the year ended March 31, 2024 as recommended by the Board of Directors, if declared at AGM will be payable to those members whose name appears on the Company's Register of Members at the close of business hours on September 20, 2024. The Final Dividend will be paid within 30 days from the date of AGM to the eligible shareholders. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the RTA by sending e-mail to the RTA's e-mail address at rtal@alankit.com. For details members may refer to the communication on TDS on Dividend Distribution appended to this notice as Annexure-II.
 9. As the AGM is being conducted through VC/OAVM, the facility to appoint Proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate therein and cast their votes through e-voting. Corporate Members are required to send, (before e-voting/ attending AGM) a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM, pursuant to section 113 of the Act, on the e-mail id investor@swissmilitaryshop.com.
 10. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and applicable circulars the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
 12. In line with the MCA Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.swissmilitaryshop.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
 13. In compliance with the MCA and SEBI Master Circulars no. SEBI/HO/CFD/CMD1/CIR1/CIR/P/2020/79 dated 12 May, 2020, SEBI Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January, 2023, SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11 July, 2023 and SEBI/HO/CFD/CFDPoD-2/P/CIR/2023/167 dated 07 October, 2023, Notice of the 35th AGM along with the Annual Report 2023-24 is being sent through electronic mode only to those Members whose e-mail id is registered with the Company's Registrar and Share Transfer Agent ("RTA") / Depository Participants ("DPs"). Members may note that the Notice of AGM and the Annual Report of the Company for the financial year 2023-24 is uploaded on the Company's website www.swissmilitaryshop.com and may be accessed by the members and will also be available on the website of the stock exchange i.e. BSE Limited at www.bseindia.com. The Notice of the AGM is also available on <https://www.evoting.nsdl.com>. Members who have not registered their e-mail id are requested to register the same with the Company / Registrar and Share Transfer Agent ("RTA") / respective DPs. This may be treated as an advance opportunity in terms of proviso to Rule 18(3) (i) of the Companies (Management and Administration) Rules, 2014.
 14. Members are requested to register/update their e-mail addresses with the Depository Participant (DP) (in case of shares held in dematerialized form) or with Registrar and Share Transfer Agent (RTA) (in case of shares held in physical form) which will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.
 15. Members of the Company are requested to note that as per the provisions of section 124(5) and section 124(6) of the Act, dividends not encashed/ claimed by the Member of the Company, within a period of seven years from the date of declaration of dividend, shall be transferred by the Company to the Investor Education and Protection Fund (IEPF), also all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the Demat Account of IEPF Authority notified by MCA ('IEPF Demat Account').

SEBI has mandated the submission of PAN (duly linked with Aadhar), KYC details and nomination by holders of physical securities by 30 September, 2023 vide its circular no. SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023. Members are requested to submit their PAN, KYC and nomination details to the Company's RTA. The forms for updating the same are available at Company's website www.swissmilitaryshop.com

Members holding shares in electronic form are requested to submit their PAN to their depository participant(s).

The Company has sent individual letters to all the members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhar before the due date, our RTA is obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on 31 December, 2025, the RTA / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.
 16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website www.swissmilitaryshop.com and on the website of the Company's RTA www.alankit.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
 17. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with the physical shares and avail various benefits of dematerialization Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company's RTA Alankit Assignments Limited for assistance in this regard.
 18. Members are requested to send their queries concerning the financial statements and operations of the Company at least 10 days before the date of AGM to the Company Secretary at its Registered Office or by sending an email to cs@swissmilitaryshop.com, so that information can be made available at the meeting.
- THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**
- The remote e-voting period begins on Tuesday, 24th Day of September 2024 at 09:00 A.M. and ends on Thursday, 26th Day of September 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th Day of September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th Day of September 2024.**
- How do I vote electronically using NSDL e-Voting system?**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
- Step 1: Access to NSDL e-Voting system**
- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



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

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800225533

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to anchal@ama-cs.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 or send a request at evoting@nsdl.co.in.

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

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system.** After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Any Member desirous to ask questions/provide their valuable views during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at cs@swissmilitaryshop.com at least 48 hours in advance before the start of the AGM i.e. 25th September 2024 by 12.00 Noon IST. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com
7. Mrs. Anchal Mittal, Company Secretary (Membership No FCS- 7161) of M/s AM & Associates., Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner by the Board of Directors in its meeting held on August 13, 2024.
8. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favors or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
9. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.swissmilitaryshop.com. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

'Annexure-I' to the Notice

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards-2 issued by Institute of Company Secretaries of India ("ICSI")

Name of the Director	Mrs. Ashita Sawhney
DIN	08612232
Date of Birth and age	10 th July, 1973 Age: 51 years
Date of first appointment on the Board	23/09/2020
Qualifications	B.A (Hons)
Experience and Expertise	She is having experience of around 14 years in business development, lifestyle branding and related business
Terms and Conditions of Appointment	As per the resolution of appointment.
Number of Meetings of the Board attended during the year.	Four out of Four during the FY 2023-24
List of Directorship of other Board.	Swiss Military Lifestyle Products Private Limited Promoshirt SM Private Limited SMG Securetech Pvt. Ltd.
List of Membership / Chairmanship of Committees of other Board.	NIL
Shareholding in Swiss Military Consumer Goods Limited	NIL
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Wife of Mr. Anuj Sawhney, Managing Director of the Company.

'Annexure-II' to the Notice

TDS ON DIVIDEND:

1. Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income will be taxable in the hands of Members with effect from April 1, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to Members at the prescribed rates. Members are requested to update their Permanent Account Number ("PAN") with the Company/ RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
2. **For Resident Shareholders**, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 10% unless exempt under any of the provisions of the Act, on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2023-24 provided PAN is furnished by the Shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-tax Act, 1961.
3. However, no Tax shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2024-25 does not exceed ₹5,000. Please note that this includes the future dividends, if any, which may be declared by the Board in the FY 2024-25.
4. Separately, in cases where the Shareholder provides Form 15G (applicable to any person other than a Company or a Firm)/Form 15H (applicable to an Individual who is of the age of 60 years or more), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not linked with Aadhar, tax will be deducted at a higher rate of 20%.
5. Section 206AB introduced by the Finance Act, 2021 effective July 01, 2021 provides for deduction of higher rate of tax in case a person:
 - a) Had not filed Income Tax return (ITR) for the preceding previous year where the time limit to file the return of income prescribed u/s 139 (1) of the Income-tax Act, 1961 has expired; and
 - b) Had aggregate TDS/TCS credit of ₹50,000 or more in that preceding year.

Accordingly, in case both the above conditions are not fulfilled, tax would be deducted at a higher rate.
6. **For Non-Resident Shareholders**, taxes are required to be withheld in accordance with the provisions of Section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of Section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of Foreign Portfolio Investors/ Foreign Institutional Investors, the withholding tax shall be as per the rate specified in 196D of the Act plus applicable surcharge and cess on the amount of Dividend payable to them.
7. However, as per Section 90 read with Section 195 of the Income-tax Act, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the Non-Resident Shareholder will have to provide the following on or before September 20, 2024:
 - a) Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the Financial Year 2024-25;
 - b) Self-declaration in Form 10F- w.e.f. April 1, 2023, electronic Form 10F is mandatory as per notification no. 03/2022 dated July 16, 2022 issued by Central Board of Direct taxes;
 - c) Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
 - d) Self-declaration in the format prescribed by the Company, certifying the following points:
 - i. Shareholders are and will continue to remain a tax resident of the country of their residence during the Financial Year 2024-25;
 - ii. Shareholders are eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholders have no reason to believe that their claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the Financial Year 2023-24. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;

- v. Shareholder is the ultimate beneficial owner of shares held in the Company and dividend receivable from the Company; and
- vi. Non-Resident Shareholder is satisfying the Principle Purpose Test as per the respective tax treaty effective April 01, 2020 (if applicable).

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts.

8. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident Shareholder.
9. Members may submit the aforementioned documents to RTA at rta@alankit.com. For further information, Members are requested to refer e-mail communication sent to them in this regard.
10. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

11. The Company shall arrange to e-mail the soft copy of TDS certificate to the Shareholders at the registered e-mail ID in due course, post payment of the said Dividend and generation of TDS Certificates.
12. An e-mail communication informing the Shareholders regarding this change in the Income tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate is being sent by the Company at the registered e-mail IDs of the Shareholders.
13. No communication on the tax determination or deduction shall be entertained post September 20, 2024.
14. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/National Electronic Fund Transfer (NEFT)/ Real Time Gross Settlement (RTGS)/ Direct Credit, etc.



SWISS MILITARY

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