



FASHIONS LIMITED
A Govt. Recognised Export House

Men's fashion technology

03.09.2024

To,
Department of Corporate Affairs
BSE Limited
Phiroze Jeejeeboy Towers,
Dalal Street,
Mumbai-400001

Scrip Code: 521206

Subject: Submission of 31st Annual Report of the Company for the Financial Year 2023-2024

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are hereby submitting the copy of the 31st Annual Report of the Company for the Financial Year 2023-2024.

Kindly take note of the same and acknowledge the receipt.

Thanking You
Yours Faithfully

For Samtex Fashions Limited

Atul Mittal
Chairman & Managing Director
(DIN: 00223366)

Encl: as above



SAMTEX FASHIONS LIMITED

31st
ANNUAL REPORT
2023-2024



BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Atul Mittal	Chairman and Managing Director
S.K. Gupta	Independent Director
Raman Ohri	Independent Director
Preeti Saxena	Independent Director
Atul Mittal	Chief Financial Officer
CS Rinki Rani	Company Secretary & Compliance Officer

STATUTORY AUDITORS

M/s Kapil Kumar & Co.

Chartered Accountants

SECRETARIAL AUDITORS

M/s DMK Associates

Company Secretaries

INTERNAL AUDITORS

Debananda Nayak

Company Secretary in Practice

REGISTERED OFFICE

Khasra No 62, D 1/3 Industrial Area,
Rajarampur, Sikandrabad, Bulandshahr UP 203205

CORPORATE OFFICE

Unit No. 137, DLF Prime Tower, F-Block, Okhla,
Phase-I, New Delhi – 110020

BANKERS

STATE BANK OF INDIA

Overseas Branch, 9th Floor,
Jawahar Vayapar Bhawan,
Tolstoy Marg, New Delhi - 110 001

**INDEX**

Content	Page No.
Notice of AGM	1
Board Report	20
Management Discussion and Analysis	60
Corporate Governance Report	64
Certificate of Non-Disqualification of Director	89
MD & CFO Certification	91
Standalone Auditors' Report	92
Standalone Financial Statement	108
Consolidated Auditors' Report	138
Consolidated Financial Statement	152

SAMTEX FASHIONS LIMITED

Corporate Identification Number (CIN): L17112UP1993PLC022479

Registered Office and Works: Khasra No 62 D1/3 Industrial Area Rajarampur Sikandrabad Bulandshahr
UP- 203205.Tel. No.:011-49025972

E-mail: samtex.compliance@gmail.com; Website: www.samtexfashions.com

NOTICE OF 31st ANNUAL GENERAL MEETING

Notice is hereby given that the **31st Annual General Meeting (“AGM”)** of the Members of **SAMTEX FASHIONS LIMITED** will be held on **Saturday, 28th September, 2024 at 01:00 P.M.** Indian Standard Time (IST) through Video Conferencing or Other Audio Visual Means (VC/OAVM) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended 31st March 2024, together with the Reports of the Board of Directors and Auditor’s thereon.
2. To appoint a Director in place of Mr. Atul Mittal (DIN: 00223366), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 3. Appointment of Mrs. Pankila (DIN: 10752243) as a Non-Executive, Independent Director of the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the said Act, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Articles of Association of the Company, **Mrs. Pankila** (DIN: 10752243) who was appointed as an Additional Director (Non-executive, Independent) by the Board with effect from **August 31, 2024** and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 up to the date of this Annual General Meeting and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing under section 160(1) of the Companies Act, 2013 from a member signifying his intention to propose her as a candidate for the office of the Director and on the recommendation of Nomination and Remuneration Committee and subsequent approval of Board of Directors, be and is hereby appointed as an Independent, Non-Executive Director of the Company, on non-rotational basis for a term of 5 (five) consecutive years commencing from August 31, 2024.

RESOLVED FURTHER THAT the any Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds as may be required to give effect to the above resolution and sign and submit all the necessary form in this regard to Registrar of Companies”

4. Appointment of Ms. Shweta Gautam (DIN: 10679234) as an Non-Executive, Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV of the said Act, Companies (Appointment and Qualification of Directors) Rules, 2014, the Companies (Amendment) Act, 2017 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and Articles of Association of the Company, **Ms. Shweta Gautam** (DIN: 10679234) who was appointed as an Additional Director (Non-executive, Independent) by the Board with effect from **August 31, 2024** and who holds the said office pursuant to the provisions of Section 161 of the Companies Act, 2013 up to the date of this Annual General Meeting and who meets the criteria prescribed for Independent Directors under Section 149(6) of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in respect of whom the Company has received a notice in writing under section 160(1) of the Companies Act, 2013 from a member signifying his intention to propose her as a candidate for the office of the Director and on the recommendation of Nomination and Remuneration Committee and approval of Board of Directors, be and is hereby appointed as an Independent, Non-Executive Director of the Company, on non-rotational basis for a term of 5 (five) consecutive years commencing from August 31, 2024.

RESOLVED FURTHER THAT the any Director or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds as may be required to give effect to the above resolution and sign and submit all the necessary form in this regard to Registrar of Companies.”

Date: 31.08.2024
Place: New Delhi

By order of the Board
SAMTEX FASHIONS LIMITED

Sd/-
Rinki Rani
Company Secretary &
Compliance Officer

Registered Office: Khasra No 62 D1/3 Industrial Area
Rajarampur Sikandrabad Bulandshahr UP- 203205
CIN: L17112UP1993PLC022479
Website: www.samtexfashions.com
E-mail: samtex.compliance@gmail.com
Tel.: 011-49025972



NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, Dated January 15, 2021 Circular dated May 12, 2020, January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circular") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. . The proceedings of the 31st AGM shall be deemed to be conducted at the registered office i.e. Khasra No 62 D1/3 Industrial Area Rajarampur Sikandrabad Bulandshahar UP- 203205 of the Company. The detailed procedure for participating in the meeting through VC / OAVM is appended herewith and also available at the Company's website www.samtexfashions.com.
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013, for items 3 to 4 is annexed hereto.
3. In compliance with the said circulars, the Notice of AGM along with Annual Report 2023-2024 is being sent only through electronic mode to those Members whose valid e- mail addresses are registered with the Company/ Depositories/RTA. Member may note that Notice of AGM and Annual Report for the year 2023-2024 has been uploaded on the website of the Company at <https://www.samtexfashions.com/>. The Notice can also be accessed from the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the same is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com. However, if any specific request received from the members demanding the physical copy of the Annual Report, the same will be provided by the company but subject to time taken by the courier agency and Postal Department.
4. Since the AGM is being held through VC/OAVM, physical attention of Members has been dispensed with. In view of the MCA Circular, no proxy shall be appointed by the members; hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice. However, Institutional / Corporate Members intending to attend /vote at AGM through VC/OAVM by their respective authorized representatives are required to send to the Company/RTA/ Scrutinizer a certified copy of Board Resolutions, pursuant to section 113 of the Companies Act, 2013, by email at www.samtexfashions.com authorizing their representative to attend and vote at the Meeting through VC.



5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from **Sunday, 22nd September 2024 to Saturday, 28th September, 2024 (both days inclusive)** for the purpose of AGM.
7. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 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 at www.samtexfashions.com. It may be noted that any service request can be processed only after the folio is KYC Compliant.
8. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
10. Instructions for the Members whose e-mail IDs are not registered with the Company or with the Depositories:
 - I. **For Physical shareholders-** please provide necessary details like 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 beetalrta@gmail.com.
 - II. **For Demat shareholders-** please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 beetalrta@gmail.com.



- III. The RTA shall co-ordinate with CDSL and provides the login credentials to the above mentioned shareholders.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, Specimen signature, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
- A. **For shares held in electronic form:** to their Depository Participants (DPs)
- B. **For shares held in physical form:** to the Company/ Registrar and Transfer Agents (RTA) in prescribed Form Notice. ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023.
- In the absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the M/s Beetal Financial and Computer Services Private Limited, Registrar and Share Transfer Agent of the Company (RTA). Intimation letters for furnishing the required details are being sent by the Company.
12. Nomination Facility as per the provisions of Section 72 of the Companies Act, the facility for making nomination is available for the Members in respect of the Equity Shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14 as the case may be. The said forms available at Company's Website www.samtexfashions.com.
13. Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the MCA dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 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 made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, and independent agency for providing necessary platform for Video Conference/ OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by CDSL.
14. Members who cast their votes by remote e-voting may attend the Meeting through VC, but will not be entitled to cast their votes at the Meeting once again.
15. The relevant details pursuant to Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retire by rotation at this AGM are as follows:



Name of Director	Mr. Atul Mittal (DIN: 00223366)
Date of Birth	25-04-1977
Date of first appointed in the Board of the Company	29-07-2002
Qualification	Graduate
Brief Profile/Experience/ Expertise in specific functional area	General Management
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None
Shareholding in the Company as on March 31, 2024	26,00,000
No. of Board Meeting attended during the year	NIL
Directorship held in other companies as on March 31, 2024	M/s Arlin Foods Limited
Membership/ Chairmanship of committees of other companies as on March 31, 2024	Chairman- Nil Membership-2

16. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under section 189 of the Companies Act, 2013 will be available for inspection by the Members in electronic mode on the website of the Company at www.samtexfashions.com.
17. The Company has appointed CS Deepak Kukreja, Proprietor, Deepak Kukreja & Associates to act as scrutinizer for conducting the scrutiny of the votes casted at AGM (e-voting as well as by Remote E-voting). The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, there after unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer Report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall counter sign the same.
18. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company at www.samtexfashions.com and on the website of CDSL at www.evotingindia.com, immediately after the declaration of Result by the Chairman or any person authorized by him in writing. The Results shall also be forwarded to the Stock Exchanges where the shares of Company are listed.
19. The Members can join the AGM through 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 1,000 Members on first come first served basis. This will not include large Shareholders i.e., Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee,



Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first served basis.

20. In case of joint holders attending the AGM, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company, will be entitled to vote.
21. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or RTA. The Equity Shares of the Company are listed on the following Stock Exchange: -

BSE Limited

24th Floor, PJ Towers,
Dalal Street, Mumbai-400 001
Website: www.bseindia.com
Scribe Code: 521206

22. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed to this Notice.

CDSL INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING AGM THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE ASUNDER:

- i. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode with CDSL/NSDL:**

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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 MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the



authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. 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 to at least 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.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.samtexfashions.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022, General Circular No. 10/2022 dated 28.12.2022 and General Circular No. 09/2023 dated 25 September, 2023 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.



THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 25th September, 2024 (09:00 A.M.) and ends on 27th September, 2024 (05:00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **21st September, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- (iv) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- (v) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (vi) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

i. Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none">1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.2) 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.3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website 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. CDSL and NSDL

Login type	Helpdesk details
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. 1800 22 55 33
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 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

ii. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)



	<ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 7) After entering these details appropriately, click on "SUBMIT" tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for Samtex Fashions Limited.
- 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.



15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

18) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; samtex.compliance@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

iii. Instructions for Shareholders attending the AGM/EGM Through VC/OAVM & E-Voting during meeting are as under:



1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
 2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
 4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
 5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. 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.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at samtex.compliance@gmail.com. These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM/EGM 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 available during the EGM/AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- iv. Process for those shareholders whose E-Mail/Mobile No. are not registered with the Company/Depositories:**



1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id.**
2. For Demat shareholders - please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective **Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.



EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013 and other applicable provisions)

The following Explanatory Statement sets out all the material facts relevant to the item (s) of the Special Business(s) contained in the Notice of 31st Annual General Meeting

ITEM NO. 3 and 4

Mrs. Pankila (DIN- 10752243) and Ms. Shweta Gautam (DIN- 10679234) have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act and Listing Regulations. Pursuant to the Nomination and Remuneration Committee recommendation and in the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

The Board of Directors are of the opinion that Mrs. Pankila and Ms. Shweta Gautam possesses relevant expertise and experience and are eligible for the position of Independent Directors of the Company and fulfils the conditions specified by the Companies Act, 2013 and the Listing Regulations. The Board considers that their association as Independent Directors will be beneficial and in the best interest of the Company.

Their brief resume, the nature of their expertise in specific functional areas, shareholding etc., are separately annexed hereto.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The Board of Directors recommends the resolutions set out in item nos. 3 and 4 for your approval.

Other than Mrs. Pankila and Ms. Shweta Gautam and their relatives none of the Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the resolutions. Necessary documents in this regard are available for inspection by the Members at the registered office/ corporate office of the Company during business hours on any working day.

The profile and specific areas of expertise and other relevant information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 are provided in additional information section of this Notice as **Annexure-A**.



“Annexure A”

Details of Directors seeking Appointment/Re-Appointment and/or whose remuneration is proposed to be increased) at the Annual General Meeting of the Company (Pursuant to Reg. 36 of the Listing Regulations and Secretarial Standards-2 on General Meetings)

S. No.	Particulars	Name of Director	Name of Director	Name of Director
		Mr. Atul Mittal	Mrs. Pankila	Ms. Shweta Gautam
1.	Designation/Category of the Director	Chairman & Managing Director (Executive Director)	Independent Director (Non-Executive Director)	Independent Director (Non-Executive Director)
2.	Date of Birth	25-04-1977	20-11-1992	18-06-1994
3.	Age	47 years	31 years	30 years
4.	Date of first Appointment on the Board	29/07/2002	31/08/2024	31/08/2024
5.	Qualifications	Graduate	Company Secretary, Masters in Commerce & Law Graduate.	B.Tech Graduate in Information Technology
6.	Experience in specific functional area	General Management	Secretarial and legal	Information Technology
7.	No. of equity shares held in the Company (as on 31 st March, 2024) including the shareholding as Beneficial Owner	26,00,000	None	None
8.	Directorships held in other companies including equity listed companies and Excluding foreign companies as on the date of this Notice.	1 (One) Arlin Foods Limited	None	Globus Industries and Services Limited
9.	Memberships / Chairmanships of committees of other companies (excluding foreign companies) as on date of this Notice	2 (Two) <ul style="list-style-type: none"> • Audit Committee-Member • Stakeholders' Relationship 	None	1 (One) Nomination and Remuneration Committee- Member



		Committee-Member		
10.	Listed Entities from which he/she has resigned as Director in past 3 years	None	None	None
11.	Relationships, between Directors inter se with other directors, Manager & other KMP's	None	None	None
12.	Number of Board Meetings attended during the year	7/7	NA	NA
13.	Terms & Conditions for appointment/re-appointment/Remuneration	As per the letter of appointment	Please refer policy on: https://www.samtexfashions.com/info/policiescodes-related-documents	Please refer policy on: https://www.samtexfashions.com/info/policiescodes-related-documents
14.	Details of Remuneration Last Drawn	Nil	Nil	Nil
15.	Details of Remuneration Sought to be paid	Nil	Nil	Nil

**BOARD'S REPORT**

To,
The Members,

The Board of Directors hereby submits the 31st Annual Report of your Company together with the Audited Accounts of the Company for the financial year ended 31st March, 2024.

FINANCIAL RESULTS

The Financial Results for the year's operation and the comparative figures of the previous year are summarized below:

(Figures in lakhs in Rs.)

Particulars	Standalone		Consolidated	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from operations	-	-	-	-
Income	0.76	0.66	4.01	2.63
Total Income	0.76	0.66	4.01	2.63
Total Expenditure	32.75	29.65	480.74	560.56
Net Profit/(Loss) Before Tax and exceptional item	(31.99)	(28.99)	(476.73)	(557.92)
Exceptional Item	-	-	-	-
Net Profit Before Tax	(31.99)	(28.99)	(476.73)	(557.92)
Current Tax	-	-	-	-
Deferred Tax	-	-	-	-
Earlier Tax Adjusted	-	-	-	-
Profit / (Loss) after Tax	(31.99)	(28.99)	(476.73)	(557.92)
Total Comprehensive Income/(Loss) for the year	(31.94)	(28.80)	(468.65)	(529.07)

The Company does not propose any transfer to General Reserve.

REVIEW OF OPERATIONS & FUTURE PROSPECTS:

There was not any manufacturing and other business operations in the company throughout the year and Company has incurred Net Comprehensive Loss after the exceptional items amounting



to Rs. 31.94 Lakhs as compare to a Net Comprehensive Loss of Rs. 28.80 lakhs in previous financial year.

In Company's Wholly Owned Subsidiary namely M/s SSA International limited, there was no manufacturing activities in the plants and was already Non Performing Asset(" NPA ")as declared by the lenders/ banks.

As you are already aware that Company's other wholly owned Subsidiary namely M/s Arlin Foods Limited is not operational. Your Board is exploring new avenues to revive the Company.

DIVIDEND

There are no earnings in the company the Directors regret their inability to recommend any dividend for the year 2023-24.

CHANGE IN NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year. The Company has two wholly owned subsidiaries namely **M/s SSA International Limited and M/s. Arlin Foods Limited**. There was also no change in the nature of business in SSA International Limited as well as Arlin Foods Limited.

SHARE CAPITAL

During the financial year, there has been no change in the authorised/issued/subscribed and paid-up share capital of the company. The issued, subscribe and paid-up share capital of the company as on March 31, 2024 is Rs. 14,90,00,000/- (Rupees Fourteen Crore and Ninety Lakh Only) comprising 7,45,00,000 fully paid equity shares of Rs. 2/- (Rupees Two Only) each.

DETAILS OF DIRECTORS /KMP APPOINTED/ RESIGNED DURING THE YEAR

During the financial year, no changes took place in the composition of Board of Directors of the Company.

Further, Ms. Anushika Mishra, Company Secretary and Compliance officer of the Company has resigned w.e.f 03rd July, 2023.

Ms. Rinki Rani has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f 24th November, 2023 Further, Ms. Rinki Rani resigned as the Company Secretary and Compliance Officer w.e.f March 31, 2024 and later joined back w.e.f 20th June 2024.



Further, Atul Mittal (DIN : 00223366) Managing Director of the Company in accordance with the requirements of the Companies Act, 2013 and the Company's Articles of Association, retires by rotation and being eligible offers himself for re-appointment.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All independent directors have given declarations to the effect that they meet the criteria of independence with regard to integrity, expertise and experience as laid down under Section 149(6) of the Companies Act, 2013 and provisions under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Board is of the opinion that all the independent directors appointed are having good integrity and possess the requisite expertise and experience (including the proficiency). Independent Directors have confirmed that they are not aware of any circumstances or situation which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent directors, the Board has confirmed that they meet the criteria of independence and that they are independent of the management.

BOARD OF DIRECTORS MEETINGS

During the year 7 (Seven) Board Meetings, 5 (Five) Audit Committee, 2 (Two) SRC Committee and 2 (Two) NRC Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE

Pursuant to the provisions of section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 presently the Audit Committee comprise the following members:-

- i) Mr. Surender Kumar Gupta (Chairman)
- ii) Mr. Atul Mittal
- iii) Mr. Raman Ohri
- iv) Mrs. Preeti Saxena



AUDITORS

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Kapil Kumar & Co. Chartered Accountants, (Firm Registration No. 006241N) re-appointed as Statutory Auditors of the Company for a term of 5 (Five) consecutive years from the conclusion of the 29th Annual General Meeting held on 30th September, 2022 till the conclusion of 34th Annual General Meeting of the Company to be held in the year 2027.

AUDITORS' REPORT

The Statutory Auditors of the Company has submitted their reports on the standalone and consolidated Financial Statements of the Company for the financial year ended 31st March, 2024. During the Financial Year, no instances of fraud have been reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with rules framed thereunder, either to the Company or to the Central Government.

The observations made by the Auditors in its report on the standalone financial statement of the Company and reply thereto by the management are here as under:

- i. Originally the plant of the company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in March 2019 the company further changed its business premises from time to time and since then no manufacturing activity has been carried on. The Company is required to determine impairment in respect of fixed assets, However the Company has not done impairment testing. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the financial statements is not ascertainable. The depreciation has been recognized based on of useful life and residual value estimated by the management, however in absence of necessary evidence of same we are unable to comment on the possible impact arising out of the said matter.

Reply: As per management opinion the impairment testing of PPE requires hiring of independent professional firm to ascertain the condition of PPE, however due to delayed availability of information and financial resources the impairment testing process could not be undertaken.

- ii. Balance of debtors are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade receivables of the company could not be verified as the confirmation of balances have not been provided and made available to us. Trade receivables amounting to Rs 607.08 lacs



which are long overdue and not provided for. Allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.

Reply: The Management is trying to recover the debts hence no provision is required to be made.

- iii. The company has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

Reply: The Company has not undertaken any business activity during the year and moreover majority of the employees of the company left the company and their dues are settled full and final over the period of time. Considering this fact, the company has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

Emphasis of Matter

- i. The company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The company has also received a notice from IDBI Bank Ltd as to why the company along with its subsidiary SSA International Ltd (Main Borrower) and others should not be declared as willful defaulters. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018. Further, IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines. The updated details of proceedings against the company and its subsidiary M/s SSA International Ltd has not been made available, in absence of such details we are unable to comment on the possible impact, if any, arising out of the said matters.

REPLY: The company is trying to settle down the matter after taking the necessary actions required in this regard.



- ii. We have not been provided with sufficient, appropriate audit evidence relating to physical verification of fixed assets and inventory. Pending completion of such verification, we are unable to comment on the possible impact, if any, arising out of the said matters.

REPLY: Fixed Assets and Inventories have been accounted for correctly in the financial statements for the year ended 31.03.2024 and been relied upon by the Auditors.

- iii. The company had given loans and advances as on 31.03.2024 which are outstanding from long time. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable. Moreover, we have not been provided with justification giving said advance and sufficient, appropriate audit evidence relating to verification of the same. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.

REPLY: The advances are given in connection with business of the company, to restore the business operations of the company have been accounted for correctly in the financial statements.

- iv. As of 31st March 2024, inventories amounting to Rs 25.32 lacs and as no business activity has been taken out during the year, the inventories have not been used for a long period of time, the company may provide for if any inventory item is damaged or has become obsolete or if the selling price has declined.

REPLY: As the Company is having an Inventories amounting to Rs. 25.32 Lacs and the same have not been used for the long period of time. The above mentioned Inventory items are not damaged or have become obsolete, and the Company is taking care for the inventories.

- v. The Company has outstanding balance of amounting Rs. 132.28 Lacs of deferred tax assets upto March 31, 2024, in absence of probable certainty and convincing evidence for taxable income in future, we are unable to ascertain the extent to which these deferred tax assets can be utilized.

REPLY: The management is making continuous efforts to restore the business operations of the company and is hopeful of future taxable income against which the deferred tax assets so created will be utilized.

- vi. Balances of input tax credit under goods and service tax are not in confirmation with balances as appearing in the online portal.

REPLY: The management can provide necessary information in this regard.



- vii. We have not been provided with the internal audit report.

REPLY: The Company had appointed an Internal Auditor, as during the current Financial Year there were no manufacturing and other operations so internal audit report is not given.

- viii. We have not been provided with sufficient, appropriate audit evidence relating to classification of trade payable dues to MSME and trade payable dues other than MSME. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, if any, arising out of the said matters.

REPLY: As the Company is not having any trade payable dues to MSME, same have not been provided to the Auditors. As per the information provided by the management regarding trade payables dues other than MSME have been accounted for correctly in the financial statements for the year ended 31.03.2024 and been relied upon by the Auditors.

- ix. Balance of trade payables are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade payables of the company could not be verified as the confirmation of balances have not been provided and made available to us.

REPLY: As per the information provided by the management the Outstanding balances of Trade payables, have been accounted for correctly in the financial statements for the year ended 31.03.2024 and have been relied upon by the Auditors.

- x. Confirmation of balances of security deposits, balances with government authorities, bank balances, Bank FDRs have not been provided to us, we are unable to comment on the possible impact, if any, arising out of the said matters.

REPLY: As per the information provided by the management the balances, security deposits, balances with government authorities have been accounted for correctly in the financial statements for the year ended 31.03.2024 and have been relied upon by the Auditors.

- xi. As informed to us the bank accounts of the company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department. Moreover, several litigations are ongoing with the Income Tax Department against which the company has also deposited Rs 118.67 lacs for different financial years under protest, however we have not been provided with details and current status of the said litigations. We are unable to comment on possible impact, if any arising out of the said matter.



REPLY: As per the information provided by the management, The Bank Accounts of the Company are operational now. Further, The Company is in discussion with the department to finalize the ongoing litigations.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed M/s. DMK Associates, Company Secretaries, as Secretarial Auditor to undertake the Secretarial Audit of the Company for the FY 2023-24.

The Secretarial Audit Report for the financial year 2023-24 submitted by them in prescribed Form MR-3 has been annexed hereto marked as **ANNEXURE-I** and forms an integral part of this report. The Secretarial Auditor has made certain observations. The observations and reply thereto are as under:

OBSERVATIONS

The Unaudited Standalone & Consolidated Financial Results along with Limited Review Reports for the Quarter and half Year ended 30.09.2023 were approved by the Board in its meeting held on 10.11.2023 and the said Results along with Limited Review Reports were submitted to BSE on 10.11.2023. However, due to technical error, the cash flow statement pages in combined file of the standalone financial results had been inadvertently missed by the Company, which came to notice of the Company on receiving the query from BSE vide e-mail dated 17.11.2023, subsequent to which, the Company filed revised results along with Limited Review Reports on 18.11.2023 resulting into a delay of 3 days in the submitting the aforesaid results which is in violation of regulation 33(3)(a) of SEBI LODR. The BSE have levied a fine of Rs. 17,700/-(inclusive of 18% GST) on the Company for the aforesaid non-compliance.

REPLY: the Company had duly submitted the Standalone and Consolidated Financial Results along with Limited Review Reports for the quarter and half year ended 30th September, 2023 on 10th November 2023. However, due to technical error, the Cash Flow Statement pages in Combined file of the Results had been inadvertently missed which came to notice of the Company on receiving the Query from BSE vide e-mail dated 17th November, 2023 in relation to the Standalone Financial Statement. Subsequent to which, the Company has duly filed revised Standalone & Consolidated Results along with Limited Review Reports on 18th November 2023. However, a fine of Rs. 17,700/- was imposed on the Company and the Company has duly made the payment against the same and the matter is resolved now.



Further, Secretarial Audit of the material unlisted subsidiary Company viz. SSA International Limited for the financial year ended March 31, 2024, as required under Regulation 24A of SEBI Listing Regulations, has been conducted by M/s. DMK Associates, Company Secretaries. The said Secretarial Audit Report is annexed herewith as **Annexure – II**. The observations and reply thereto are as under:

OBSERVATIONS

The Company has not appointed Internal Auditors as required under section 138 of the Act during the financial year under review.

REPLY: The consortium member banks have transferred the assets of the Company to National Assets Reconstruction Company Limited (NARCL) and as the Company's manufacturing unit located at 67th Milestone, Samalkha District, Panipat, Haryana, has been taken over by the Bank and accordingly there is no operation and any activity in the Company from August 2017. Since in the Company there is no activity, hence the appointment of Internal Auditor was not made.

Further, the Secretarial Audit of the material unlisted subsidiary Company viz. Arlin Foods Limited for the financial year ended March 31, 2024, as required under Regulation 24A of SEBI Listing Regulations, has been conducted by M/s. Vijay Jain & Company, Company Secretaries. The said Secretarial Audit Report is annexed herewith as **Annexure – III** and it does not contain any qualification, reservation, adverse remark or disclaimer.

MAINTENANCE OF COST RECORDS

Pursuant to Section 148(1) of the Companies Act, 2013 and rules made there under and with Cost Accounting Records Rules 2011, the Company is exempted to maintain Cost Records for the financial year 2023-24.

INTERNAL AUDIT

Mr. Debananda Nayak, Company Secretary in Practice (C.P. No- 15188), have been appointed as the Internal Auditor for the financial year 2023-24 to review the function of Internal Control System of the company and to report thereon.



BOARD EVALUATION

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board and as collated by Nomination and Remuneration Committee and the Board expressed its satisfaction.

The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with Section 134(5) of Companies Act, 2013, Your Directors state that:-

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year March 31, 2024 and of the loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



WEBLINK OF ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 Annual return of the Company for the financial year ending March 31, 2024 will be available on the Company's website www.samtexfashions.com under Investor Information once it's filed with the Registrar of Companies after the ensuing Annual General Meeting.

MATERIAL CHANGES

No Material changes and commitments have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report, which may affect the financial position of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since the company has no business operations during the year, the company was not required to provide the details of conservation of energy, technology absorption, foreign exchange earnings and outgo in terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Your company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. A detailed exercise is being carried out to identify, evaluate, manage and monitor non-business risks. The Company through Board and Audit Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Risk Management forms an integral part of the Company's planning process.

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Particulars of Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached hereto as **ANNEXURE-IV** which forms part of this report.



PUBLIC DEPOSITS

The Company has not invited or accepted fixed deposits from public during the financial year ended March 31, 2024, under Chapter V of the Companies Act, 2013 and the Rules made there under.

RELATED PARTY TRANSACTIONS

During the year, the Company has not entered into contract, arrangement and transactions with related parties. All transactions with related parties are of previous years which were in the ordinary course of business and on arm's length basis and none of the contract, arrangement and transactions could be considered material as covered under Section 188 (1) of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable and hence does not form part of this report.

LOANS, GUARANTEES AND INVESTMENT

During the financial year, company has not made any fresh investments nor have provided any new loan or Guarantee.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/TRIBUNALS

On 1.08.2018, SSA International Limited, wholly owned subsidiary of the Company, received a demand notice from State Bank of India, Stressed Assets Management Branch-I. Demand Notice stated that SBI, the Lead bank has initiated action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of powers conferred under section 13(2) read Rule 3 of Security Interest (Enforcement) Rules, 2002 called upon the borrower /guarantors/ Mortgagors to repay the debt amounting to Rs. 632,05,29,655/- with in sixty days from the receipt of the notice. If SSA International Limited fails to pay the said amount in the stipulated time, the bank will take the possession of the property mortgaged as mention in the said Notice.

The said action of SBI, the lead bank initiated under SARFASSI Act 2002 to repay the debt has been challenged by SSA International Ltd, in the concerned court, and matter is still under dispute. And the Counter Claims have been filed to the claims filed by the lead bank and other member banks.

Further notices from SBI Lead bank and other Member banks for possession of Properties and declaring promoters as willful defaulters were received. The Management of SSA is approaching the banks for One Time Settlement and the same is pending for negotiations.



Furthermore, IDBI Bank has taken the possession of the property of SSA International Limited situated at Village Patti Kalyana Tehsil Samalkha District Panipat, on 12.03.2021.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

During the financial year, there were no manufacturing and other operations. The Internal Financial Control System is adequate and relevant to the existing operations. The Company has in all material respects an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024.

NOMINATION & REMUNERATION POLICY

The Company has a Remuneration Policy in place encompassing the appointment and remuneration philosophy of the Company. The Policy comprises of the various elements and terms of appointment. The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board and separate its functions of governance and management.

The Company has framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act, 2013. The details of policy are mentioned in Corporate Governance Report. The Policy of the Company is available on company website at www.samtexfashions.com

MANAGEMENT DISCUSSION AND ANALYSIS

As required by Regulation 34 read with Part B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion & Analysis Report is annexed to this Annual report.

CORPORATE GOVERNANCE

The Company is committed to maintain the standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

As required under SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 a separate report on Corporate Governance report along with Certificate on its compliance is annexed with this Annual Report.



CREDIT RATING

The credit rating was suspended in the financial year 2016-17 and presently not applicable.

INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

SUBSIDIARIES AND ASSOCIATES

The Company has two material subsidiaries namely, **M/s SSA International Limited (SSA)** and **M/s Arlin Foods Limited (Arlin)**. During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. As per Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a Consolidated Financial Statement of the Company and its subsidiary has been prepared and attached to the Standalone Financial Statement of the Company.

The Consolidated Financial Statements have been prepared in accordance with the relevant accounting standards and in terms of the applicable provisions of Section 136 of the Act, Financial Statements of SSA and Arlin for the financial year ended on March 31, 2024 are available on the Company's website viz. <https://www.samtexfashions.com/info/subsidiary-companies>.

Pursuant to the provisions of the rule 8 of Companies (Accounts) Rules, 2014, Form AOC-1 annexed to this report as **ANNEXURE-V**.

The accounts of the Subsidiaries are also available for inspection for shareholders /members /investor, during the business hours at the registered office of the company.

The Company does not have any associate or joint venture company during the year under review.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company was not required to constitute corporate social responsibility committee pursuant to section 135 of the Companies Act, 2013.



POLICIES AND WEB ADDRESS

As per the regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 all listed entities are required to formulate certain policies. All such policies are available on our website i.e. www.samtexfashions.com. Key policies that have been adopted by the Board are as follows:

Name of the Policy	Brief description	Web link
Vigil Mechanism Policy	The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. No person has been denied the direct access to the Board in this regard.	https://www.samtexfashions.com/info/policiescodes-related-documents
Board Diversity	To ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge, perspective and gender in the Board	https://www.samtexfashions.com/info/policiescodes-related-documents
Policy on Preservation of Documents	This policy deals with the retention and archival of corporate records of the Company	https://www.samtexfashions.com/info/policiescodes-related-documents
Policy- Dealing with Related Parties	This policy regulates all the transactions between the Company and its related parties	https://www.samtexfashions.com/info/policiescodes-related-documents
Policy on Material Subsidiary	This policy deals with determination of Material Subsidiaries of Samtex Fashions Limited in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR)	https://www.samtexfashions.com/info/policiescodes-related-documents



Materiality of Events	The objective of the policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.	https://www.samtexfashions.com/info/policiescodes-related-documents
Risk Management Policy	The objective of Risk Management Policy at Samtex Fashions Limited is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities.	https://www.samtexfashions.com/info/policiescodes-related-documents
Archival Policy	The objective of the this policy is to cover all events or Information which has to be disclosed to Stock Exchange(s)	https://www.samtexfashions.com/info/policiescodes-related-documents

COMPLIANCE OF SECRETARIAL STANDARD

The Company has complied with all applicable provisions of Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India and notified by the Central Government.

PREVENTION OF SEXUAL HARRASMENT AT WORKPLACE

During the year, provisions of Sexual Harassment at Workplace was not applicable.

CODE OF CONDUCT

In compliance with Regulation 26(3) of the **SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015** and the Companies Act, 2013, the Company has framed and adopted a code of conduct. The code is applicable to the members of the Board and all employees of the Company.

The Board Members have affirmed compliance with the Code of Conduct for the period ended March 31, 2024.



DEMATERIALIZATION OF SHARES AND DEPOSITORY SYSTEM

Your Company's shares are participating both with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The ISIN number of the Company is **INE931D01020**.

STOCK EXCHANGE LISTING

The Equity shares of your Company are listed at: The BSE Limited (BSE), Mumbai.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- The company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No transfer was made to the investor education and protection fund against the unclaimed dividend or shares during the year.
- No application has been made or proceeding is pending against the company under the insolvency and bankruptcy code, 2016 during the year.
- There are no details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their gratitude to members, business associates, various agencies of the Government, Financial Institutions and Banks for all the help and Cooperation extended by them to the Company.



They also acknowledge with appreciation the devoted services rendered by the workers, staff and Executives at all levels of the Company. The Directors appreciate and value the contribution made by every member of the Samtex family.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

Date: 31.08.2024

Place: New Delhi

**SD/-
Atul Mittal
Chairman & Managing Director
DIN: 00223366**



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
THE MEMBERS,
SAMTEX FASHIONS LIMITED
CIN: L17112UP1993PLC022479
Khasra No 62 D 1/3 Industrial Area,
Rajarampur Sikandrabad, Bulandshahr,
UP 203205 IN

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 ("**Audit Period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;



- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(No FDI and ECB was taken and no ODI was given by the company during the Audit Period)**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 ; **(Not applicable to the Company during the Audit Period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 ; **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable as the Company is not registered as Registrar to an issue and Share Transfer Agent during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the Audit Period)**

VI. OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY

As per the information provided, there is no specific law applicable to the Company during the audit period.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2);
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**") as amended from time to time and the Listing Agreements entered into by the Company with BSE Limited ("**BSE**").

During the period under review the Company has complied with the provisions of the Act, Rules,



Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above subject to following observations:

- 1. The Unaudited Standalone & Consolidated Financial Results along with Limited Review Reports for the Quarter and half Year ended 30.09.2023 were approved by the Board in its meeting held on 10.11.2023 and the said Results along with Limited Review Reports were submitted to BSE on 10.11.2023. However, due to technical error, the cash flow statement pages in combined file of the standalone financial results had been inadvertently missed by the Company, which came to notice of the Company on receiving the query from BSE vide e-mail dated 17.11.2023, subsequent to which, the Company filed revised results along with Limited Review Reports on 18.11.2023 resulting into a delay of 3 days in the submitting the aforesaid results which is in violation of regulation 33(3)(a) of SEBI LODR. The BSE have levied a fine of Rs. 17,700/-(inclusive of 18% GST) on the Company for the aforesaid non-compliance.*
- 2. Mr. Atul Mittal, Managing Director of the Company has signed the financial statements in the capacity of Managing Director and Chief financial officer of the Company which is not as per Regulation 78 of table F Schedule I of the Act.*

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women 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.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda and in case of meeting at shorter notice which was held in accordance with the law 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 in compliance of the Act.
3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting(s), **we further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



We further report that during the audit period the company has not incurred any specific event/action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

**For DMK ASSOCIATES
COMPANY SECRETARIES**

Date: 31.08.2024

Place: New Delhi

UDIN: A036232F001088756

**(SHIVANI AGARWAL)
PARTNER
ACS 36232, C P 18282
Peer Review No. 779/2020**



To,
THE MEMBERS,
SAMTEX FASHIONS LIMITED
CIN: L17112UP1993PLC022479
Khasra No 62 D 1/3 Industrial Area,
Rajarampur Sikandrabad, Bulandshahr,
UP 203205 IN

Sub: Our Secretarial Audit Report for the Audit period is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. 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. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. 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 the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. In terms of Regulation 18 read with Schedule III of SEBI LODR, the copy of Internal Audit Report has not been provided to us.
8. The recovery suit filed by State Bank of India, the lead Bank and other members before the Debts Recovery Tribunal –II, Delhi in respect of the Corporate Guarantee given by the Company for an amount of Rs. 807.46 crores to the banks for secured loans taken by SSA International Limited, its wholly owned Subsidiary has been challenged by the SSA



International Limited which is lying pending with the said Tribunal as on the date of the report.

9. As per the information provided by the company, there are certain cases filed by or against the company, which are currently lying pending with the various Courts. However as informed the financial impact can't be ascertained during the pendency of those cases.

Date: 31.08.2024

Place: New Delhi

UDIN: A036232F001088756

**For DMK ASSOCIATES
COMPANY SECRETARIES**

**(SHIVANI AGARWAL)
PARTNER
ACS 36232, C P 18282
Peer Review No. 779/2020**



**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,
The Members,
SSA International Limited
Unit No.137, DLF Prime Tower,
F-Block, Okhla Phase- 1,
Delhi-110020**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 (**Audit Period**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(Not applicable to the Company during the Audit Period)
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder



to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment(OD) and External Commercial Borrowings(ECB); **(No FDI, ODI and ECB was taken by the Company during the Audit Period)**

- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-
- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"); **(Applicable only to the extent)**
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**(Not applicable to the Company during the Audit Period);**
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the Company during the Audit Period)*;**
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**(Not applicable to the Company during the Audit Period);**
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, **(Not applicable to the Company during the Audit Period);**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client**(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent);**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, **(Not applicable to the Company during the Audit Period);**and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, **(Not applicable to the Company during the Audit Period);**

* The Company being a material subsidiary of Samtex Fashion Limited, directors and employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of Samtex Fashions Limited.

Since the manufacturing units of the company were closed in the previous years and the Company's Manufacturing units are under the possession of State Bank of India in pursuance to the notice issued 13(4) of the SARFASEI Act and as informed by management no sector specific laws are applicable on the Company.



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 & SS-2).
- (ii) The Listing Agreements entered into by the Company with the BSE Limited (“BSE”) and National Stock Exchange of India (“NSE”), if any.; **(Not applicable to the Company during the Audit Period as the company’s shares are not listed on any stock exchange(s))**

During the Audit period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, Standards, etc. as mentioned above subject to following:

1. *The Company has not appointed Internal Auditors as required under Section 138 of the Act during the financial year under review.*

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Women and Independent Directors. That no changes in the composition of the Board of Directors took place during the period under review.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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.
3. All decisions at Board Meetings have been carried out unanimously and recorded in the Minutes of the Board Meetings. Further, as informed and verified from minutes, no dissent was given by any directors in respect of resolutions passed in the Board Meetings.

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



We further report that during the audit period the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations, guidelines, standards etc.:

**FOR DMK ASSOCIATES
COMPANY SECRETARIES**

Date: 30.08.2024

Place: New Delhi

UDIN: A036232F001082024

**(SHIVANI AGARWAL)
ACS
PARTNER
ACS 36232, C P 18282
Peer Review No. 779/2020**



To,
The Members,
SSA International Limited
Unit No.137, DLF Prime Tower,
F-Block, Okhla Phase- 1,
Delhi-110020

Sub: Our Secretarial Audit Report for the Audit Period Financial Year ended March 31, 2024 is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. 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. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. 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 the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the Company, there are certain disputes / cases filed by or against the Company, which are currently lying pending with the various Courts/authorities inter-alia including:
 - A. The following Original Applications have been filed against the Company for recovery of debts before the Hon'ble Presiding Officer, Debt Recovery Tribunal II, New Delhi;
 1. OA 530/2018 State Bank of India & ANR Vs. SSA International Limited for recovery of debts of Rs. 437,57,28,356/-and IA No. 899/2020 & IA No. 1841/2021 for seeking attachment of property of the Company, TA NO 446/2022 and IA No. 208/2023.
 2. OA 973/2018 Canara Bank Vs. SSA International Limited for recovery of debts of Rs. 151,86,46,977/-, TA NO 309/2022 and IA No. 233/2023.



3. OA 957/2018 IDBI Bank & ANR Vs SSA International Limited for recovery of debts of Rs. 72,47,38,934/-

The State Bank of India (Lead Bank) vide its notice dated August 01, 2018 given under SARFAESI Act, 2002 to the company and published in newspaper for public in general stated that in exercise of the powers conferred under section 13(4) read with rule 8 of Security interest (Enforcement) Rules, 2002, possession of the property described in the said notice has been taken and has restrained the borrower, guarantor and public in general not to deal with the said property. Further, the assets of the company have been transferred to National Assets Reconstruction Company Limited (NARCL)

As per the information provided the application for change of name from SBI to NARCL has been filed before the Hon'ble Presiding Officer, DRT-III, New Delhi. The above referred OA's lying pending as on date of this report.

IDBI had served possession notice of property on 7 October, 2020 and declared the promoters as willful defaulters and given the opportunity to the Company for depositing the entire amount along with interest. Thereafter the company has filed an application for one-time settlement on 21.10.2020 which was rejected. Consequently, IDBI u/s 13 of SARFESI Act, read with Rule 8 of Security Interest (Enforcement) Rule, 2002 had taken the possession of properties situated at Samalkha District Panipat on 9 March, 2021 which was communicated to the company on 12 March, 2021. Further during the FY 2022-2023, the property at Samalkha was auctioned by IDBI and the matter is still pending as on the date of this Report.

- B. Joint Commissioner of Excise & Taxation Department, Panipat had imposed the Penalty of Rs.3,24,62,295/- under section 9(2) of CST Act 1956 r/w Section 38 of the HVAT for the Assessment Year 2010-11. In response, the Company had further filed writ petition before High Court of Punjab & Haryana for waiving off the same which was rejected. Thereafter civil writ petition was filed by the Company in the High Court of Punjab & Haryana which is pending as on the date of this Report.

Date: 30.08.2024

Place: New Delhi

UDIN: A036232F001082024

**FOR DMK ASSOCIATES
COMPANY SECRETARIES**

(SHIVANI AGARWAL)

ACS

PARTNER

ACS 36232, C P 18282

Peer Review No. 779/2020



**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2024**

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,
The Members,
Arlin Foods Limited
CIN: U15209DL2008PLC173566
Unit No.137, DLF Prime Tower F- Block,
Okhla Phase-1, New Delhi-110020**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (**Audit Period**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with **Annexure 1** attached to this report:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder(**the Act**);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(Not applicable to the Company during the Audit Period)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not**



applicable to the Company during the Audit Period)

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment(ODI) and External Commercial Borrowings(ECB); **(No FDI and ECB was taken and no ODI was given by the Company during the Audit Period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), as amended from time to time:-
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"); **(Applicable only to the extent)**
 - j) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011**(Not applicable to the Company during the Audit Period);**
 - k) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the Company during the Audit Period)*;**
 - l) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**(Not applicable to the Company during the Audit Period);**
 - m) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, **(Not applicable to the Company during the Audit Period);**
 - n) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client**(Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent);**
 - o) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, **(Not applicable to the Company during the Audit Period);**and
 - p) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, **(Not applicable to the Company during the Audit Period);**
- * The Company being a material subsidiary of Samtex Fashion Limited, directors and employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of Samtex Fashions Limited.
- (vi) The Company has not undertaken any business activity during the year and earlier years and as informed by the management, no sector specific laws applicable to the Company.



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

(iii) Secretarial Standards on meeting of Board of Directors (SS-1) and on General Meeting (SS-2) issued by the Institute of Company Secretaries of India.

(iv) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **(Not applicable to the Company during the Audit Period)**

During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as mentioned above.

Based on the information received and records maintained, We further report that;

1. The Board of Directors of the Company is duly constituted. During the year, there was no change in the composition of the Board of Directors.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.
3. All decisions at Board Meetings are carried out unanimously and recorded in the minutes of the Board Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the Board Meetings.

Based on the compliance mechanism established by the Company, **we further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



We further report that during the audit period the company has not undertaken any event / action which may be construed as major in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

Date : 30.08.2024
Place : New Delhi
UDIN No.: A050242F001083241

**For Vijay Jain & Co.
Company Secretaries**

**CS Vijay Jain
Proprietor
ACS, MBA, B. Com.
ACS No.: 50242
C. P. No.: 18230
Peer Review No.: 2241/2022**



To,
The Members,
Arlin Foods Limited
CIN: U15209DL2008PLC173566
Unit No.137, DLF Prime Tower F- Block,
Okhla Phase-1, New Delhi-110020

Sub: Our report for audit period is to be read along with this letter.

1. 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.
2. We have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance of laws, rules, and regulations and happening of events etc.
5. 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 the procedures on test basis.
6. 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.
7. As per the information provided by the Company, there are certain disputes cases filed by or against the Company, which are currently lying pending with the various Courts. However, as informed, these cases will not have major impact on the Company.

**For Vijay Jain & Co.
Company Secretaries**

Date : 30.08.2024
Place : New Delhi
UDIN No.: A050242F001083241

**CS Vijay Jain
Proprietor
ACS, MBA, B. Com.
ACS No.: 50242
C. P. No.: 18230
Peer Review No.: 2241/2022**

**ANNEXURE-IV**

Particulars of employees pursuant to section 197(12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014

1. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

S. No	Name of Director, KMP & Designation	Remuneration of Director/ KMP for FY 2023-24 (in Rs.)	Remuneration of Director/ KMP for FY 2022-23 (in Rs.)	% increase in Remuneration In the FY 2023-24	Ratio of remuneration of each Director/to median remuneration of employees (times)
1.	Atul Mittal Chairman & Managing Director	NIL	NIL	NIL	-
2.	Mr. Surendra Kumar Gupta Independent Director	NIL			
3.	Mr. Raman Ohri Independent Director				
4.	Ms. Anushika Mishra Company Secretary (up to 03.07.2024)	1,18,160	3,84,000	NIL	NIL
5.	Ms. Rinki Rani Company Secretary (w.e.f 24.11.2024)	2,11,667	NIL	NIL	NIL

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24: **NIL**
3. The percentage increase in the median remuneration of employees in the financial year: **NIL**



4. Number of Permanent Employees on the rolls of Company as on 31.03.2024: **One**
5. The average percentile increase/decrease in the salaries of the employees (other than Managerial Personnel) for FY 2023-24 was nil % whereas the average percentile increase in the managerial remuneration for the FY 2023-24 is nil %. The Company's variable compensation philosophy for its managerial personnel is to ensure its competitive in the global markets in which it operates, for attracting & retaining the best talent. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
6. The remuneration is as per the remuneration policy of the company.

Statement pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014

1. The details of Employees who were employed throughout the FY- 2023-24 and were in receipt of minimum aggregate Remuneration of Rs.1.02 Cr.: **Nil**
2. The details of Employees who were employed for the part of FY 2023-24 and for that part they received minimum aggregate remuneration of Rs. 8.5 lakh per month: **Nil**
3. The details of Employees who were employed during FY 2023-24 (whether for full year or part thereof) and were drawing remuneration which is in excess of the remuneration drawn by MD or WTD or Manager and along with this, he is holding minimum 2% of the equity shares of the company together with his wife & dependent children: **Nil**

PARTICULARS OF REMUNERATION (RELATIVE) EMPLOYEES –NIL



Detail of top employees (having less than 10 employees for period under report) in terms of remuneration drawn:-

S. No.	Name	Designation	Salary Received (till 31.03.2024) in Rs.	Permanent	D.O.B	D.O.J	Qualification	Last Employment before Joining the company	Equity Share held by the Employee	Relation with Director
1	Ms. Rinki Rani*	Company Secretary	2,11,667	On Roll	04.09.1990	24.11.2023	Company Secretaries	Corpnexus Solutions LLP	Nil	No

*Ms. Rinki Rani resigned as the Company Secretary and Compliance Officer w.e.f March 31, 2024 and later joined back w.e.f 20th June 2024.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

Date: 31.08.2024

Place: New Delhi

**SD/-
Atul Mittal
Chairman & Managing Director
DIN: 00223366**



FORM 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 Rs. in Lakhs)

Sl. No.	Particulars	Details	
1.	Sl. No.	1	2
2.	Name of the subsidiary	SSA International limited	Arlin Foods Limited (Formerly known as Sam Buildcon Limited)
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
5.	Share capital	3,720.00	150.00
6.	Reserves & surplus	-27,842.80	5.66
7.	Total assets	34,228.85	310.80
8.	Total Liabilities	58,351.64	155.14
9.	Investments	259.86	NIL
10.	Turnover	0	0
11.	Profit before taxation	-444.87	0.27
12.	Provision for taxation	NIL	NIL
13.	Profit after taxation	-444.87	0.27
14.	Proposed Dividend	-	-
15.	Extent of shareholding (In percentage)	100	100



Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations- NIL
2. Names of subsidiaries which have been liquidated or sold during the year-NIL

Part "B": Associates and Joint Ventures

Statement Pursuant to section 129(3) of the Companies Act, 2013 related to Associates Companies and Joint Ventures:

This is not applicable as there is no associate companies/joint ventures of the Company as on March 31, 2024.

1. Names of associates and joint ventures which are yet to commence operations- NA
2. Names of associates and joint ventures which have been liquidated or sold during the year. - NA

For Samtex Fashion Limited

Place: New Delhi

Date: 31.08.2024

ATUL MITTAL
(Managing Director & CFO)
DIN-00223366

SURENDRA KUMAR GUPTA
(Director)
DIN: 00223035

Rinki Rani
(Company Secretary)
M. No. A51516



Overview

Company Background

The Company was incorporated on 26th April, 1993 and having its Registered Office at Khasra No. 62 D 1/3 Industrial Area Rajarampur Sikandrabad, Bulandshahr UP-203205, engaged in the business of manufacturing and selling of Ready Made Garments.

Its Corporate Office is located at Unit No. 137, DLF Prime tower, F Block, Okhla Phase –I, New Delhi -110020. The Trading Office in USA in the city of New York is not operational during the year under report.

Company Management

The Board of Directors of the Company presently at the time of preparation of this Report comprised of four Directors headed by Mr. Atul Mittal, Chairman & Managing Director of the Company. The Board has a combination of Executive and non-Executive Directors comprising of one Executive Director- namely Mr. Atul Mittal, Managing Director and three Non-Executive Independent Directors.

In addition to above, the appointment of two Additional Non-executive, Independent Directors namely Mrs. Pankila and Ms. Shweta Gautam, has been recommended by the Nomination and Remuneration Committee and be approved by the Board of Directors in their meeting subject to the approval of members in ensuing Annual General Meeting. After their appointment the Board shall comprise a total of six directors.

The Board of Directors should meet regularly at least 4 times in a year. In the year 2023-2024, 7(Seven) such meetings were held, the details of the attendance of Directors in the Board Meetings have been given in the Report of Corporate Governance. The Board has also constituted Committees namely, (a) Audit Committee (b) Nomination and Remuneration Committee (c) Stake holders Relationship Committee. The committee members' meet regularly from time to time to dispose of the work assigned to them respectively.



Product and Services

The Company is engaged in the business of manufacturing and selling of Ready Made Garments. In March 2019, the Company changed the business premises to setup the manufacturing facilities, however, there no manufacturing activities have been carried on. Further, in January 2021, the Company further changed the Registered Office to Khasra No 62, D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr, UP 203205. As regards the commencement of manufacturing activities at the new premises the company is not able to setup and start in absence of orders.

Industry Structure and Development

The Indian Textile Industry especially Garment Sector is export oriented and is one of the leading textile industry in the world, having an overwhelming presence in the Indian Economy. The international trade in clothing and textile plays a vital role through its contribution to industrial output, employment generation and export earnings for the country. The Industry is targeting towards modernization and expansions being encouraged by the prevailing textile strategies and policies.

The Indian clothing and textile industry has attracted huge investments and is moving towards economic growth. Restructuring its system and operations to match the international levels of technology, quality and standards. As a result, the capacity has expanded to meet the future requirements as the demands are growing but with slow speed. The business environment is very challenging.

Opportunities and Threats

The modern technology, improvements in infrastructure and regulations, all are playing significant role among the different sectors of the Industry.

The textile and clothing industry is also facing increase in input prices as well as increase in conversion cost. The inflationary pressure both within the country and globally have bearing on the outlook of the textile and clothing industry.



Segment Wise Performance

During the current financial year the reportable segment did not exceed the quantitative threshold limits as per the applicable accounting standard, Hence segment wise performance is not evaluated.

Outlook

The Indian economy remains optimistic supported by strong fundamentals such as political stability, heightened government focus on public capital expenditure, a gradual rise in private capital expenditure and growing credit demand. India's growth trajectory is expected to surpass other economies in the foreseeable future. Accordingly, the company has an optimistic approach.

Risk and Concerns

The company has no operational activities during the year so there was no operational risks. However, the company intends to revive the business and to look forward. Considering the same, various risks and concern connected to the Industry and other operational environment may be faced by the Company and the management will ensure adequate risk management policy accordingly.

Internal control systems and their adequacy

During the current financial year, there was no manufacturing and other operations so no internal audit was conducted. However, the Company has appointed the Internal Auditor and the Internal Financial Control System is adequate relevant to the existing operations.

Discussion on financial performance with respect to operational performance.

The commencement of manufacturing activities at the new premises of the company is not able to setup and start in due to absence of orders in the reporting year.



Material developments in Human Resources/Industrial Relations front, including number of people employed.

The Company was not carrying any business operation throughout the year, hence not applicable.

Disclosure of Accounting Treatment:

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial Statements.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

Date: 31.08.2024

Place: New Delhi

**Sd/-
Atul Mittal
Chairman & Managing Director
DIN: 00223366**



CORPORATE GOVERNANCE REPORT

1. Company's philosophy

Samtex Fashions Limited (hereafter referred as "SFL"). SFL's philosophy on corporate governance envisages to attain Transparency, Accountability, Fairness, Integrity and Social Responsibility in all facets of its operations. The corporate governance enables us to have our system in place and gives us sufficient freedom to operate within the framework of accountability. The company has a firm belief that the Code of Corporate Governance provides the structure by which the rights and responsibilities are mentioned and distributed amongst the different members of the organization.

2. I) Board of Directors

a) Composition and Category of Directors

During the financial year, the Board of Directors has an optimum combination of Executive Director, Non-Executive and Women Director, which comprised of Four Directors – One Executive Director and Three Non- Executive Independent Directors (including one women Director).

b) Other Directorships and Committee Memberships

The composition of Board of Directors, their category and other directorships as on 31st March, 2024 given as under:-

Sl. No	Name Of the Director	Designation	Category	No. of Directorship and Committee Membership/Chairmanship		
				Other Directorship	Committee Membership	Committee Chairperson
1	Mr. Atul Mittal	Chairman & Managing Director	Promoter & Executive	1	2	-
2	Mr. Raman Ohri	Director	Independent Non-executive	1	3	-



3	Mr. S.K. Gupta	Director	Independent Non-executive	1	3	3
4	Ms. Preeti Saxena	Director	Independent Non-executive	3	3	-

Retiring Directors

Mr. Atul Mittal, Chairman & Managing Director is retiring by rotation in the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

Mr. Atul Mittal is a graduate, belonging to an industrial family and is having experience of 24 years. He possesses command in his field of operations and managing the affairs of the Company.

c) Meetings of Board of Directors:

During the year, 7(Seven) Meetings of the Board were held on 29.05.2023, 14.08.2023, 04.09.2023, 10.11.2023, 24.11.2023, 14.02.2024 and 30.03.2024.

d) Attendance record of each Director:

The table given below gives the attendance record of all the Directors at the 7 (Seven) Board Meetings held during 2023-24, as well as at the last Annual General Meeting held on 30.09.2023.

Sl. No.	Name of Director	No. of Board Meeting attended	Attendance at the last AGM
1	Mr. Atul Mittal	7	Yes
2	Mr. S.K. Gupta	7	Yes
3	Mr. Raman Ohri	7	Yes
4	Ms. Preeti Saxena	7	Yes

e) Disclosure of Relationship of Directors Inter-se:

Directors of the Company are not related to each other.

**f) Shareholding of Directors:**

The Shareholding of Directors (In individual capacity) as on 31 March 2024 is given below:

Sr. No.	Name of Director	No. of Shares Held	% to total Shares
1.	Mr. Atul Mittal	26,00,000	3.49%

The Independent Non-Executive Directors of the Company are not holding any shares/convertible instruments in the Company as on 31 March 2024

g) Familiarization Programme for Directors

The company conduct familiarization programs for the Directors to enable them to familiarize with the Company. Web- link <https://www.samtexfashions.com/info/policiescodes-related-documents>.

II) Independent Directors Meeting

- a) As required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 a separate meeting of Independent Directors of the Company were held on 14.02.2024 during 2023-24.
- b) In terms of requirement of Schedule V of SEBI Listing Regulations, the Board has identified the following core skills/expertise/ competencies of the Directors in the context of the Company's business for effective functioning as given below:

Skills and its description	Atul Mittal	Surendra Kumar Gupta	Raman Ohri	Mrs. Preeti Saxena
Administrative Expertise	YES	YES	YES	-
Industry Knowledge	YES	YES	-	YES
Technology and Digitization perspective	YES	-	-	YES

C) Detailed Reasons for resignation of an Independent Director:

No Independent Directors has resigned during the year under review.



3. AUDIT COMMITTEE

a) The present Constitution of the Audit Committee as below:-

1. Mr. S.K. Gupta - Chairman
2. Mr. Raman Ohri - Member
3. Mr. Atul Mittal - Member
4. Mrs. Preeti Saxena - Member

The meetings were scheduled well in advance. In addition to the members of the audit committee, these meetings were attended by the head of the Statutory Auditors of the Company.

The terms of reference of Audit committee are extensive and include all that is mandated in Regulation 18 of SEBI (LODR) Regulations 2015 and Corresponding section 177 of the Companies Act, 2013.

The Company Secretary of the Company act as the Secretary to the Committee. The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

b) Meetings and Attendance:

Sl. No.	Date of Meeting	Strength	No. of Members Present
1	29.05.2023	4	4
2	14.08.2023	4	4
3	04.09.2023	4	4
4	10.11.2023	4	4
5	14.02.2024	4	4



The Attendance of the Members of the Committee is given below:-

Member	No. of Meetings attended	Category
Mr. S.K. Gupta	5	Member & Chairman
Mr. Raman Ohri	5	Member
Mr. Atul Mittal	5	Member
Mrs. Preeti Saxena	5	Member

Mr. S.K. Gupta Chaired the Meeting of Audit Committee held on 29th May, 2024 for reviewing and approving the Final Financial Statement for the period ended 31st March, 2024.

c) Terms of reference

The Audit Committee has the powers as provided under section 177 of the Companies Act, 2013 as well as requirements under Listing Agreement/ Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 pertaining to Audit Committee, which include amongst others:

- Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements and audit report before submission to the Board.
- Reviewing with management, performance of statutory and internal auditors and adequacy of internal control systems.
- Reviewing with management the quarterly Financial Statements before submission to Board of Directors for approval.



- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority, reporting structure coverage and frequency of internal audit.
- Review and functioning of Whistle Blower/Vigil Mechanism.

The Committee reviews the Management Discussion and Analysis of the financial condition, results of operations and statements of significant Related Party Transactions, internal control and any other matter which may be a part of its terms of reference or referred to by the Board of Directors.

In the year under reference, the Audit committee comprised of four(4) Directors out of which three(3) of them are Non-Executive Independent Directors. All these Directors possessed good knowledge of Corporate Finance, Accounts and Company Law.

d) Internal Audit

Debananda Nayak, Company Secretary in Practice (C.P. No- 15188), have been appointed for the financial year 2023-24 as the Internal Auditor of the Company to review the Internal Control System of the Company, and to report thereon.

4. NOMINATION AND REMUNERATION COMMITTEE:

a) The present Constitution of the committee is as follows:

1. Mr. S.K. Gupta - Chairman
2. Mr. Raman Ohri - Member
3. Mrs. Preeti Saxena - Member

b) Meetings and Attendance:

S. No.	Date of Meeting	Strength	No. of Member Present
1	04.09.2023	3	3
2	24.11.2023	3	3



The Attendance of the Members of the Committee is given below:-

Member	No. of Meetings attended	Category
Mr. S.K. Gupta	2	Member & Chairman
Mr. Raman Ohri	2	Member
Mrs. Preeti Saxena	2	Member

The Nomination and Remuneration committee presently comprises of Three (3) Directors, all are Non- Executive Independent Directors.

c) Terms of reference

The terms of reference are in line with the requirement of Code of Corporate Governance. The Nomination and Remuneration Committee has the powers as provided under section 178 of the Companies Act, 2013 as well as requirements under Regulation 19 of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015 pertaining to Nomination & Remuneration Committee, which include amongst others:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- Recommend to the Board a policy relating to the remuneration for the directors, Key managerial Personnel and Senior Management.
- Fixation of salary, perquisites etc. of all Executives Directors of the company at the time of their appointment/re-appointment.
- Deciding commission payable to executive directors.
Identify persons who qualify to become Directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the Board their appointment and removal.

d) Performance evaluation criteria for independent directors.

The Nomination and Remuneration Committee in its meeting held on 24.11.2023, has laid down the criteria for performance evaluation of Board of the Company, its Committees



and the individual Board Members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board of Directors excluding the Directors being evaluated.

5. DIRECTOR'S REMUNERATION

a) Managing Director/Executive Directors:

The Company pays remuneration to the Managing Director / Executive Directors as recommended by the Remuneration Committee and the Board of Directors of the Company. It has also been approved by the Members of the company in their General Meeting.

Since the Company is under Financial Stress during the Financial Year, Chairman and Managing Director decided not to receive any Salary during the Year.

b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration.

6. STAKE HOLDERS RELATIONSHIP COMMITTEE

- a) Stake Holders Relationship Committee meets regularly and during the year 2 meetings were held. To expedite the process of Share Transfers the powers are delegated to the Company Secretary and one executive Director, and the delegated authority attends to Share Transfer formalities once in a fortnight. In case of any difference of opinion or there being a dispute among the claimants the matter is forwarded to the Stake holders Relationship Committee for their Approval. The Committee comprises of Four (4) Directors, one of whom is Executive Director. The Chairman, Mr. S.K. Gupta, is a Non-Executive Director.

The Present Constitution of the committee is as follows:

1. Mr. S.K. Gupta - Chairman
2. Mr. Raman Ohri - Member
3. Mr. Atul Mittal - Member
4. Mrs. Preeti Saxena - Member



- There was no share Transfer/Demat cases, or Complaints pending for more than 30 days, as on 31st March, 2024.

b) **Compliance Officer:** As on March 31, 2024, Ms. Rinki Rani, Company Secretary is the Compliance officer of the company. However, she ceased to be the Company Secretary of the company from the closing hours of March 31, 2024 and joined back w.e.f June 20, 2024

Address: - Unit No. 137, DLF Prime Tower, F- Block, Okhla Phase –I, New Delhi-110020.
Ph. No. 011- 49025972, Email ID: samtex.compliance@gmail.com

c) **Details of Shareholders Complaints during the FY 2023-24:-**

Investors Compliant	SEBI	BSE	Investor
Number of complaints pending at the beginning of year	Nil	Nil	Nil
Number of complaints Received	Nil	Nil	Nil
Number of complaints resolved	Nil	Nil	Nil
Number of complaints pending complaints at the end of year	Nil	Nil	Nil

d) **Senior Management**

List of Senior Management of the Company as on 31.03.2024:

S. No.	Name	Designation
1.	Mr. Atul Mittal	Chief Financial Officer
2.	Ms. Rinki Rani	Company Secretary & Compliance Officer

e) **Code of Conduct**

Code of Conduct as adopted by the Board of Directors, is applicable to all Directors, Senior Management and Employees of the Company. The Code of Conduct of the Company covers substantial development, disclosure of material information, integrity of financial reporting, continuous improvement of the internal control system and sound investor relations.

**Declaration as required under Regulation 26(3) and Schedule V of SEBI (LODR) Regulations, 2015**

All Directors and Senior Management of the Company have affirmed Compliance with the Samtex Code of Conduct for the financial year ended 31st March, 2024.

Sd/-
Atul Mittal
Chairman & Managing Director
DIN: 00223366

Place :New Delhi
Date: 31.08.2024

7. GENERAL BODY MEETING

a) The details of last three Annual General Meetings are given as follows:-

Annual General Meeting/Year	Day, Date & Time of the AGM	Venue
28 th AGM 2020-21	Thursday, 30 th September, 2021, Through Video Conferencing or Other Audio Visual (VC/OAVM) at 04:30 P.M.	Through (VC/OAVM) and the deemed venue shall be the Registered Office of the Company i.e. Khasra No 62,D 1/3 Industrial Area, Rajampur, Sikandrabad, Bulandshahr UP 203205
29 th AGM 2021-22	Friday, 30 th September, 2022, Through Video Conferencing or Other Audio Visual (VC/OAVM) at 01:00 P.M.	Through (VC/OAVM) and the deemed venue shall be the Registered Office of the Company i.e. Khasra No 62,D 1/3 Industrial



		Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205
30 th AGM 2022-23	Saturday, 30 th September, 2023, Through Video Conferencing or Other Audio Visual (VC/OAVM) at 01:00 P.M.	Through (VC/OAVM) and the deemed venue shall be the Registered Office of the Company i.e. Khasra No 62,D 1/3 Industrial Area, Rajarampur, Sikandrabad, Bulandshahr UP 203205

b) Details of Special Resolutions:

1.	28 th AGM	No Special Resolution was passed.
2.	29 th AGM	<ol style="list-style-type: none"> 1. Regularization of Mrs. Preeti Saxena as an Independent Director (Non- Executive) of the Company, for term of 5 years. 2. Re- appointment of Mr. Atul Mittal as Chairman & Managing Director of the Company for the period of 3 years.
3.	30 th AGM	No Special Resolution was passed.

c) Postal Ballot

During the year under review no resolution was passed through Postal Ballot. Currently there is no Special Resolution is proposed to be passed through Postal Ballot.

d) Subsidiary Companies

The Company has two materially unlisted wholly owned subsidiary companies, namely M/s SSA International Limited and M/s Arlin Foods Limited (earlier name Sam Buildcon Limited). The requirements of Regulation 24 of SEBI (LODR) Regulations 2015 with regard to subsidiary companies have been complied with, to the extent applicable.



8. Means of Communications

- a) **Results:** Unaudited Standalone, as well as Consolidated Quarterly as well as Annual Audited Financial Results of the Company, are approved and taken on record by the Board of Directors of the Company within 45 days (for I, II, III quarter)/ 60 days (for IV quarter) from the end of the quarter. The Approved Results are communicated to Stock Exchanges where Company is listed and also published within 48 hours in Financial Express i.e. English Newspaper and Hari Bhoomi i.e. Hindi Newspaper.
- b) **Website:** The Company's website (www.samtexfashions.com), provides comprehensive information on Company's profile its business lines, Management, Corporate Governance etc. An exclusive section is dedicated to Investors, where all information related to quarterly/yearly results, Annual Report; Quarterly Transfer Details to IEPF etc. are pasted from time to time. It provides all the information as prescribed under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- c) **Intimation to the Stock Exchanges:** All Price Sensitive information and material events are disclosed to the Stock Exchange(s), in accordance with its Materiality Policy on disclosure of material events. The objective of the Materiality Policy is to ensure timely and adequate disclosure of material events and price-sensitive information under Regulations 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company. All such disclosures are signed by the Managing Director, or Compliance of information is also pasted on the website of the Company.

9. GENERAL SHAREHOLDER INFORMATION

- a) **Registered office & Works:**
Samtex Fashions Ltd.
Khasra No. 60, D1/3, Industrial Area,
Rajarampur, Sikandrabad, Bulandshar,
UP- 203205
- b) **Company's Corporate Office:**
Unit No. 137, DLF Prime Tower,
F- Block, Okhla Phase –I, New Delhi -110020



Ph. No. 011-49025972

Email ID: samtex.compliance@gmail.com

c) Registrars and Share Transfer Agents:

Beetal Financial & Computer Services (P) Ltd

Registrars and Transfer Agents

Beetal House, 3rd Floor

99, Madangir, BH- Local Shopping Center

New Delhi-110062

Ph.: 011-29961281, 29961282 Fax: 011-29961284

d) Investors Correspondence :

In case of any delay in attending to transfer of shares, non-receipt of Annual Report or any other related matter the following official of Samtex Fashions Ltd. may be contacted.

Mr. Atul Mittal, Chairman & Managing Director.

Email: samtex.compliance@gmail.com

e) Annual General Meeting for the financial Year ended 31st March, 2024.

31st Annual General Meeting:-

Date: **28th September, 2024**

Time: 1:00 P.M

Means: Through Video Conferencing (VC) / other Audio Visual Means (OAVM)

Venue: Deemed to be Registered Office of the Company.

Book closure Details: 22th September 2024 to 28th September, 2024

f) Dividend Payment Details: - N.A

g) Financial Calendar (2024-2025 Tentative)

Last Quarter Results of FY 23-24: 29th May, 2024

First quarter results: August, 2023

Second quarter results: November, 2023

Third quarter results: February, 2024

Fourth quarter results: May, 2024

Annual results: May, 2024

AGM for the year ended 31.03.2024: September, 2024



h) **Listing and Stock code** : The company's Equity shares are listed on
The BSE Limited (BSE),
Phiroze Towers, Dalal Street Mumbai- 400023

i) **Stock Market Data : (Scrip Code-521206)**

Year (Month)	The Stock Exchange, Mumbai		
	Highest	Lowest	Closing
April- 2023	2.58	1.80	2.00
May – 2023	2.18	1.84	1.85
June -2023	2.61	1.83	2.26
July – 2023	2.35	1.88	1.98
August – 2023	2.13	1.87	2.06
September – 2023	2.82	1.96	2.63
October – 2023	2.65	1.84	1.96
November -2023	2.45	1.92	2.28
December -2023	2.44	2.12	2.26
January – 2024	3.04	2.21	2.75
February – 2024	3.12	2.45	2.56
March- 2024	2.81	1.95	2.02

j) **Share Price Performance In Comparison To Broad Based Indices**

MONTH	SAMTEX FASHIONS HIGH	BSE SENSEX HIGH
23-Apr	2.58	61,209.5
23-May	2.18	63,036.1
23-Jun	2.61	64,768.6
23-Jul	2.35	67,619.1
23-Aug	2.13	66,658.1
23-Sep	2.82	67,927.2
23-Oct	2.65	66,592.2
23-Nov	2.45	67,069.9
23-Dec	2.44	72,484.3
24-Jan	3.04	73,427.6



24-Feb	3.12	73,413.9
24-Mar	2.81	74,245.2

Base 100 is taken for BSE Sensex

MONTH	SAMTEX FASHIONS LOW	BSE SENSEX LOW
23-Apr	1.80	58,793.08
23-May	1.84	61,002.17
23-Jun	1.83	62,359.14
23-Jul	1.88	64,836.16
23-Aug	1.87	64,723.63
23-Sep	1.96	64,818.37
23-Oct	1.84	63,092.98
23-Nov	1.92	63,550.46
23-Dec	2.12	67,149.07
24-Jan	2.21	70,001.60
24-Feb	2.45	70,809.84
24-Mar	1.95	71,674.42

Base 100 is taken for BSE Sensex

k) Listing Fees:

The company has paid the annual listing fees to the Stock Exchange for the year 2023-24.

l) Shareholding Pattern of the Company as on 31st March, 2024:

Category of Shareholders	No of shares	Percentage
Promoter's Holding	3,65,87,692	49.11
Mutual Funds/UTI	53,000	0.07
Banks/Financial institution (Central /State Govt. Inst./Non Govt. inst.)	---	---
Corporate Bodies	90,31,751	12.12
NRI/OCBs	42,98,048	5.77
Others (Trust , HUF and Clearing Members)	21,21,923	2.85
Indian Public	2,24,07,586	30.08
Total	7,45,00,000	100.00



m) Distribution of Shareholding as at 31st March, 2024:

Share Holding of Nominal value of Rs. 2 each	No	% of Total Folio Nos.	Shares in Nos.	% of Total
Up to 5000	12154	91.631	5287313	7.0971
5001 – 10000	522	3.935	2037471	2.7349
10001 – 20000	295	2.224	2230551	2.9940
20001 – 30000	100	0.754	1251447	1.6798
30001 – 40000	41	0.309	743753	0.9983
40001 – 50000	28	0.211	653899	0.8777
50001 – 100000	55	0.415	2062762	2.7688
100001 and above	69	0.520	60232804	80.8494
Total	13264	100.00	74500000	100.00

The company has not issued any GDRS/ADRS/ Share Warrants or any convertible instruments during the year.

n) Plant Location

Khasra No. 60, D1/3, Industrial Area,
Rajarampur, Sikandrabad, Bulandshahr,
UP- 203205

o) Share Transfer System:

Share Transfers in physical form are registered and share certificates are returned to the respective transferees within a period ranging from fifteen days to one month, provided the documents lodged with the Registrar/Company are clear and complete in all respects.

p) Dematerialization of Shares:

Trading in Samtex Fashions Ltd. Share is permitted in Dematerialized Form w.e.f 8th October, 2001 as per notifications issued by the SEBI. The company has



entered in to Agreement with Depositories NSDL and CDSL, where the investors have the options to De-Materialize/Re-Materialize their shares with either of the Depositories.

The Company's ISIN number is INE931D01020.

Shares Dematerialized Record:

As on the date of closure of Financial Year 7,09,97,690 Equity Shares comprising 95.299% of the total shares were held in Dematerialized Form.

10. OTHER DISCLOSURES

a) Related Party Transactions as required :

Related Party Transactions: Pursuant to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, omnibus approvals for transactions with Related Parties were obtained from the Audit Committee, and the Board, during the financial year 2023-24, However there was no material Related Party Transaction during the year ended March 31, 2024.

b) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interest of the Company at large:

The disclosures with regard to transactions with Related Parties are given in the Notes to Accounts of the Audited Financial statements for the financial year ended with March 31, 2024. These transactions are not in the Company's interest. There was no material Related Party Transaction during the year ended March 31, 2024.

c) Penalties Imposed:

During the year under consideration, following penalties were imposed on the Company-

- Non-compliance of Regulation 33 of SEBI LODR for Delay in submission of annual audited Financial Results for the quarter and half year ended September 30, 2023 for which the BSE have levied a fine of Rs. 17,700/- (inclusive of 18% GST) on the Company. The aforesaid fine has been paid by the Company.



d) DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENTS

The Company has complied with the Indian Accounting Standards (Ind AS) as laid down by the Institute of Chartered Accountants of India (ICAI) and notified by the Ministry of Corporate Affairs in preparation of its Financial Statements. The Basis of preparation, measurement and significant accounting policies are disclosed in the Notes to the Financial Statements.

e) Description and Web link of Various Policy

The details of various other policies applicable to the Company are available in the Finance Section under the financial Reports on the Company's website i.e. www.samtexfashions.com.

Name of the Policy	Brief description	Web link
Vigil Mechanism Policy	The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy. No personnel has been denied access to the Audit Committee.	https://www.samtexfashions.com/info/policiescodes-related-documents
Board Diversity	To ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge, perspective and gender in the Board	https://www.samtexfashions.com/info/policiescodes-related-documents
Policy on Preservation of Documents	This policy deals with the retention and archival of corporate records of the Company	https://www.samtexfashions.com/info/policiescodes-related-documents



Policy-Dealing with Related Parties	This policy regulates all the transactions between the Company and its related parties	https://www.samtexfashions.com/info/policiescodes-related-documents
Policy on Material Subsidiary	This policy deals with determination of Material Subsidiaries of Samtex Fashions Limited in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI LODR)	https://www.samtexfashions.com/info/policiescodes-related-documents
Materiality of Events	The objective of the policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.	https://www.samtexfashions.com/info/policiescodes-related-documents
Risk Management Policy	The objective of Risk Management Policy at Samtex Fashions Limited is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities.	https://www.samtexfashions.com/info/policiescodes-related-documents
Archival Policy	The objective of the this policy is to cover all events or Information which has to be disclosed to Stock Exchange(s)	https://www.samtexfashions.com/info/policiescodes-related-documents

f) Mandatory Requirements-

The Company is compliant with the mandatory requirements, except some of the requirements, of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 formulated by the Securities and Exchange Board of India.



e) Non- mandatory Requirements – NONE

11. CERTIFICATE PURSUANT TO THE REGULATION 34 AND SCHEDULE V (C)(10)(I) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) READ WITH SECTION 164 OF COMPANIES ACT, 2013 REGARDING QUALIFICATION/DISQUALIFICATION TO ACT AS DIRECTOR

The Company has received the certificate from CS Ankit Tiwari, Proprietor M/s Ankit Tiwari & Co., Practicing Company Secretaries, Membership Number A65026, CP Number 24431, that none of the Directors on the Board of the company has 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 Statutory Authority. The same is attached to this report.

12. AUDITORS REMUNERATION

The Company has appointed M/s Kapil Kumar & Co. Chartered Accountants (Firm Registration No. 006241N) as the Statutory Auditors

The particulars of payment to Statutory Auditors by the Company during the financial year 2023-24 are as below:

Particulars	Amount Rs. in lakhs
Statutory Audit Fee	1.30

13. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND CODE OF PRACTICE AND PROCEDURE FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Pursuant to the Regulation 9 of SEBI (Prohibition of Insider Trading) Regulations, 2015, read with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 and SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2019, company is having the Code of Conduct to Regulate, Monitor and Report Trading by Insiders. The Company has also adopted a Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information in adherence to the principles set out in Schedule A to the said Regulations.



14. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the Management.

15. RECONCILIATION OF SHARE CAPITAL AUDIT

Mr. Neeraj Gupta, Membership Number- 5720, CP Number- 4006 Company Secretary in Practice, carries out the Reconciliation of share Capital Audit for the 1st quarter ended on 30.06.2023, and Mr. Ankit Tiwari, Membership Number- A65026, CP Number- 24431 Company Secretary in Practice carries out the Reconciliation of share Capital Audit for the quarters ended 30.09.2023, 31.12.2023 and 31.03.2024 as mandated by SEBI and reports on the Reconciliation of Total Issued and Listed Capital with that of total share capital admitted/ held in Dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof as required pursuant to Circular No. D&CC/FITTC/CIR-16/2002 31 December 2002, issued by the SEBI and Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 (as amended) is submitted to the Stock Exchanges on quarterly basis and is also placed before the Stakeholders Relationship Committee Members and Board of Directors of the Company for noting, comments and advise.

16. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed section on 'Management Discussion and Analysis' forms part of this report.

17. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Not applicable during the year.

18. PRACTICING COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

As stipulated in Regulation 17 to 27 clauses (b) to (i) and (t) of sub regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and



Disclosures Requirements) Regulations, 2015 (“Listing Regulations”), the Company has obtained Certificate on Corporate Governance from CS Ankit Tiwari, Proprietor M/s Ankit Tiwari & Co, Membership No. A65026 & COP: 24431, Company Secretary in Practice. The same is attached to this report.

19. CEO/CFO CERTIFICATION

Mr. Atul Mittal, CFO of the company have given an annual certification on financial reporting and the internal controls to the Board in terms of provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 at its meeting held on 29.05.2024.

20. DETAILS OF DEMAT/ UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

21. DETAILS OF MATERIAL SUBSIDIARIES

The Company has two material wholly-owned subsidiary Company viz. Arlin Foods Limited (Arlin) and SSA International Limited (SSA). Arlin has its registered office in the state of Delhi and it was incorporated on February 5, 2008 and Kapil Kumar & Co., Chartered Accountants, [Firm Registration No. 006241N] were appointed as Statutory Auditor of Arlin w.e.f. September 29, 2022. SSA has its registered office in the state of Delhi and it was incorporated on May 3, 1995 and Kapil Kumar & Co., Chartered Accountants, [Firm Registration No. 006241N] were appointed as Statutory Auditor of Arlin w.e.f. September 30, 2022 Both the Companies are managed by the Board of Directors, which is entrusted with the responsibility to manage the affairs in the best interest of stakeholders.

The Company has formulated the “Policy for determining Material Subsidiary(ies)” in compliance of SEBI Listing Regulations, which is available on the Company’s website viz <https://www.samtextfashions.com/info/policiescodes-related-documents>



22. DISCLOSURE ON LOANS OR ADVANCES

During the Year, there have been no loans or advances extended by the Company or its subsidiaries, which bear resemblance to loans, to any firms or companies where the Directors of the Company hold an interest.

However, On 1.08.2018, SSA International Limited, wholly owned subsidiary of the company, received a demand notice from State Bank of India, Stressed Assets Management Branch-I. Demand Notice stated that SBI, the Lead bank has initiated action under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of powers conferred under section 13(2) read Rule 3 of Security Interest (Enforcement) Rules, 2002 called upon the borrower /guarantors/ Mortgagors to repay the debt amounting to Rs. 632,05,29,655/- with in sixty days from the receipt of the notice. If SSA International Limited fails to pay the said amount in the stipulated time, the bank will take the possession of the property mortgaged as mention in the said Notice.

The said action of SBI, the lead bank initiated under SARFASSI Act 2002 to repay the debt has been challenged by SSA International Ltd, in the concerned court, and matter is still under dispute. And the Counter Claims have been filed to the claims filed by the lead bank and other member banks.

Further notices from SBI Lead bank and other Member banks for possession of properties and declaring promoters as willful defaulters were received. The Management of SSA is approaching the banks for One Time Settlement and the same is pending for negotiations.

Furthermore, IDBI Bank has taken the possession of the property of SSA International Limited situated at Village Patti Kalyana Tehsil Samalkha District Panipat, on 12.03.2021.

The Company ("Samtex Fashions Limited") had given corporate guarantee in respect of this loan to SSA international Limited. Further the Company did not receive any other order passed by any Court or Tribunal or Regulator.

23. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES.

With reference to clause 5A of paragraph A of Part A of Schedule III of SEBI LODR, the Company has not entered into any such agreements.



24. During the year under review, the Board has accepted the recommendations made by the various Board Committees constituted.
25. Details of utilization of funds raised through preferential allotment or qualified Institutions placement as specified under Regulation 32(7A):

These provisions are not applicable to the Company.

**For and on behalf of the Board of Directors
For SAMTEX FASHIONS LIMITED**

Date: 31.08.2024

Place: New Delhi

**Sd/-
Atul Mittal
Chairman & Managing Director
DIN: 00223366**



**PRACTICING COMPANY SECRETARIES' CERTIFICATE ON
CORPORATE GOVERNANCE**

(Pursuant to Paragraph E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

SAMTEX FASHIONS LIMITED

CIN-L17112UP1993PLC022479

Khasra No 62 D 1/3 Industrial Area

Rajarampur Sikandrabad,

Bulandshahr, U.P:- 203205.

We have examined the compliance of the conditions of Corporate Governance by Samtex Fashions Limited – ('the Company ') for the year ended on 31 March 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and paragraph C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31 March 2024.

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 ANKIT TIWARI & CO.
Company Secretaries**

Date : 31.08.2024

Place : New Delhi

UDIN No.: A065026F001094263

CS ANKIT TIWARI

Proprietor

ACS, MBA, B. Com.

ACS No.: 65026

C. P. No.: 24431

Peer Review No.: 5686/2024

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members
SAMTEX FASHIONS LIMITED
CIN: L17112UP1993PLC022479
Khasra No 62 D 1/3 Industrial Area
Rajarampur Sikandrabad,
Bulandshahr, U.P.- 203205.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SAMTEX FASHIONS LIMITED** (hereinafter referred to as '**the Company**'), produced before us 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 our opinion and to the best of our 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 / us by the Company & its officers, We 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	DIN	*Date of Appointment
1.	Mr. Atul Mittal	00223366	01.09.2016
2.	Mr. Surendra Kumar Gupta	00223035	29.07.2002
3.	Mr. Raman Ohri	02534078	27.01.2009
4.	Mrs. Preeti Saxena	07597269	30.08.2022

** The date of appointment is the original date of appointment as per the MCA portal.*

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 ANKIT TIWARI & CO.
Company Secretaries**

**Date : 31.08.2024
Place : New Delhi
UDIN No.: A065026F001094285**

**CS ANKIT TIWARI
Proprietor
ACS, MBA, B. Com.
ACS No.: 65026
C. P. No.: 24431
Peer Review No.: 5686/2024**



**MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION
(Under Regulation 17(8) of SEBI (Listing Obligation & Disclosure
Requirement) Regulations, 2015**

**To,
The Board of Directors,
Samtex Fashions Limited.**

I, the undersigned, in my respective capacities as Managing Director and Chief Financial Officer of Samtex Fashions Limited, to the best of my knowledge and belief, certify that:

1. I have reviewed financial statements and the cash flow statement for the year ended on 31st March, 2024 on standalone basis and that to the best of my knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accountings standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year 2023-24 which are fraudulent, illegal or violative of the Company's code of conduct.
3. I am responsible for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.
4. I have disclosed to the Auditors and the Audit committee
 - (a) Significant changes, if any, in internal control over financial reporting during the Year;
 - (b) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (c) Instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.
5. It is further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and ethics for the year 2023-24 covered by this report.

Date: 31.08.2024

Place: New Delhi

**Sd/-
Atul Mittal
Chairman & Managing Director & CFO
DIN: 00223366**

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF****SAMTEX FASHIONS LIMITED****Report on Audit of the Financial Statements****Qualified Opinion**

We have audited the accompanying standalone financial statements of SAMTEX FASHIONS LIMITED, which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view (subject to the matters of Basis of Qualified Opinion and emphasis mentioned below) in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit 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 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 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.

- i. Originally the plant of the company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in March 2019 the company further changed its business premises from time to time and since then no manufacturing activity has been carried on. The Company is required to determine impairment in respect of fixed assets, However the Company has not done impairment testing. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the financial statements is not ascertainable. The depreciation has been recognised based on of useful life and residual value estimated by the management, however in absence of necessary evidence of same we are unable to comment on the possible impact arising out of the said matter.
- ii. Balance of debtors are outstanding from long period and are subject to confirmation and



consequential effect if any on the financial statements remains uncertain. The trade receivables of the company could not be verified as the confirmation of balances have not been provided and made available to us. Trade receivables amounting to Rs 607.08 lacs which are long overdue and not provided for. Allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.

- iii. The company has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

Material Uncertainty Related to Going Concern

The company has accumulated losses and net worth of the company is continuously eroding. The company has incurred a net loss during the current and previous year(s) and the current liabilities exceeds its current assets. Moreover, no business activity has been undertaken throughout the year. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as going concern and therefore the group may be unable to realize its assets and discharge its liabilities in the normal course of business. As a result of ongoing matters, we are unable to determine as to whether any adjustment that would have been necessary and required to be made in respect of trade receivable, trade payables, borrowings, current liabilities, loans and advances and contingent liabilities as at 31st March, 2023 and in respect of the corresponding possible impact of such items and associated elements on the statement for the year ended on that date, should the group be unable to continue as a going concern. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying consolidated financial statements. However, the financial statements of the group have been prepared on a going concern basis.

Emphasis of Matter

- i. The company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The company has also received a notice from IDBI Bank Ltd as to why the company along with its subsidiary SSA International Ltd (Main Borrower) and others should not be declared as wilful defaulters. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018. Further, IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines. The updated details of proceedings against the company and its subsidiary M/s SSA



International Ltd has not been made available, in absence of such details we are unable to comment on the possible impact, it any, arising out of the said matters.

- ii. We have not been provided with sufficient, appropriate audit evidence relating to physical verification of fixed assets and inventory. Pending completion of such verification, we are unable to comment on the possible impact, it any, arising out of the said matters.
- iii. The company had given loans and advances as on 31.03.2024 which are outstanding from long time. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable. Moreover, we have not been provided with justification giving said advance and sufficient, appropriate audit evidence relating to verification of the same. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, it any, arising out of the said matters.
- iv. As of 31st March 2024, inventories amounting to Rs 25.32 lacs and as no business activity has been taken out during the year, the inventories have not been used for a long period of time, the company may provide for if any inventory item is damaged or has become obsolete or if the selling price has declined.
- v. The Company has outstanding balance of amounting Rs. 132.28 Lacs of deferred tax assets upto March 31, 2024, in absence of probable certainty and convincing evidence for taxable income in future, we are unable to ascertain the extent to which these deferred tax assets can be utilized.
- vi. Balances of input tax credit under goods and service tax are not in confirmation with balances as appearing in the online portal.
- vii. We have not been provided with the internal audit report.
- viii. We have not been provided with sufficient, appropriate audit evidence relating to classification of trade payable dues to MSME and trade payable dues other than MSME. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, it any, arising out of the said matters.
- ix. Balance of trade payables are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade payables of the company could not be verified as the confirmation of balances have not been provided and made available to us.
- x. Confirmation of balances of security deposits, balances with government authorities, bank balances, Bank FDRs have not been provided to us, we are unable to comment on the possible impact, it any, arising out of the said matters.
- xi. As informed to us the bank accounts of the company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department. Moreover, several litigations are ongoing with the Income Tax Department against which the company has also deposited Rs 118.67 lacs for different financial years under protest, however we have not been provided with details and current status of the said litigations. We are unable to comment on possible impact, if any arising out of the said matter.

Our report is not modified in respect of the above matter stated



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the 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 auditor's report thereon.

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

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

Responsibilities of Management and those charged with governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with relevant rule there under and other accounting principles generally accepted in India in compliance with Regulation 33 of the Listing Regulations.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of financial statement

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the Company to express an opinion on the Financial Results.



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and joint operations, referred to in the Other Matters paragraph above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone Ind AS financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept so far as it appears from our examination of those books.



- c) The standalone Balance Sheet, the standalone Statement of Profit and Loss, the standalone Statement of Changes in Equity and the standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone Ind AS financial statements.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company, as on 31 March 2024 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses a qualified / adverse opinion on the operating effectiveness of the Company’s internal financial controls over financial reporting.
- i. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- ii. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements refer note no. 23(a).
- iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- v. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the



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

- vi. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vii. Based on our examination which included test checks, management does not provide us sufficient audit evidences which give us assurance that the company has enabled audit trail feature in its accounting software, hence we are unable to comment on audit trail feature of the said software.

**FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N**

**MOHIT KAKKAR
(PARTNER)
MEMBERSHIP NUMBER: 538844
New Delhi
29th May, 2024
UDIN: 24538844BKBNAZ3706**



Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2024, we report that:

- (i) a) A) The Company has not updated its records showing full particulars, including quantitative details and, situation of fixed assets.
 B) According to the information and explanations given to us, the Company does not have any intangible assets hence clause 3(i)(a)(B) not applicable to the Company.
- b) As explained to us, the company's fixed assets have not been physically verified by the management during the year. However, we are unable to comment on any difference in physical verification and books as we have not been provided with sufficient appropriate audit evidence relating to physical verification of fixed assets and fixed assets register was not produced before us for verification.
- c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- (ii) a) According to the information and explanations given to us the inventory has been physically verified during the year by the management, but stock records were not produced before us for verification and we have relied upon the information provided to us by the management. Due to lack of adequate information, we are unable to comment upon their coverage and procedure adopted by the management. According to the information and explanations given to us, no discrepancies in aggregate of 10% or more in each class of inventory were noticed.
- b) According to the information and explanations given to us the Company has not been sanctioned any working capital limits in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us the Company has not granted any fresh loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 during the year. However the company has advanced loan to wholly owned subsidiary M/s Arlin Foods Ltd during the earlier years and the outstanding balance of the said loan as on 31.03.2023 is Rs 16.23 lacs. The said loan is unsecured and free of interest and schedule of repayment of the principal has not been stipulated.

(A) The details of such loans or advances and guarantees or security to subsidiaries, Joint Ventures and Associates are as follows:

Particulars	Guarantees	Loans/Advances	Investment
Aggregate amount granted/provided during the year	-	-	-



(B) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows:

	All Parties/Others	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	Rs 22.00 lacs	-	Rs 16.23 lacs
Total (A+B)	Rs 22.00 lacs	-	Rs 16.23 lacs
Percentage of loans/ advances in nature of loans to the total loans	57.54%	-	42.45%

- (iv) According to the information and explanations given to us, the company has complied with the provisions of section 185 & 186 of the act in respect of investments, guarantees & securities provided by it during the year, however we have not been provided with necessary documents to verify the compliance of said provisions.
- (v) In our opinion & according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of provisions of Sections 73 to 76 of the Act or any other relevant provisions of the Act & the rules framed thereunder.
- (vi) According to the information and explanations given to us, Maintenance of Cost records as prescribed by the Central Government under Section 148(1)(d) of the Companies Act 2013 is not applicable to the company for the year.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, goods and service tax ,cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, goods and service tax, cess and other material statutory dues were not in arrears for a period of more than six



months from the date they became payable.

b) According to information and explanation given to us, the disputed statutory dues i.e Income Tax aggregating to Rs 166.29 lakhs that have not been provided for in the books of accounts on account of matters pending before concerned appellate authorities. The company had paid a sum amounting to Rs118.68 lakhs as duty under protest against these demands . No further details / explanations have been provided to us on these matters.

As per the data available online Income Tax account of the company, there are certain liabilities to the tune of Rs. 6.21 lacs related to TDS defaults related to earlier years have been uploaded on TRACES website. The said demands being disputed, the company is in process of filing necessary rectifications u/s 154 of the income tax act with the income tax department.

The company has received order under section 8 of the employees provident fund and miscellaneous provisions act dated 03/03/2020 and as per the said order the company has defaulted in payment of provident fund dues/damages ,etc under the said act amounting to the tune of Rs 7.07 Lacs. No further details / explanations have been provided to us on these matters. As informed to us the bank accounts of the company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department.

(viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

(ix) a) Based on our audit procedures and according to the information and the explanations given to us, we are of the opinion that the company has not defaulted in repayment of dues to financial institutions, banks, Government or to debenture holders.

b) According to the information and explanation given to us the company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi. IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines.

c) Based upon the audit procedures performed and according to the information and the explanations given to us by the management, no the term loans were taken during the year. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company



- d) In our opinion and according to the information and explanation given to us, no funds raised on short term basis by the Company hence the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- e) According to the information and explanation given to us, the 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) According to the information and explanation given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- (x) (a) According to the information and explanation given to us the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) a) According to the information and explanations given to us, no material fraud on the company by its officers or employees has been noticed or reported during the year. However, IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines.
b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
c) In our opinion and according to the information and explanations given to us, no whistleblowers complaints were received during the year by the company and hence not considered
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of examination of books and records of the company carried out by us, all the transactions with the related parties are in compliance with provisions of section 177 and 188 of the act, where applicable. The details there on has been disclosed in the financial statements as required under the applicable Accounting Standards.
- (xiv) a) According to the information and explanations given to us the company does not have an adequate internal audit system as the company is not in operations since past many years.
b) We were unable to obtain the internal audit reports of the company, hence the internal audit reports have not been considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered 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.

- (xvi) (a) In our opinion and according to the information and explanations given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting Rs. 28.51 lacs during the financial year covered by our audit and Rs. 25.38 lacs during immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, there exist material uncertainty as on the date of the audit report 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.
- (xx) (a) According to the information and explanations given to us, the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N

MOHIT KAKKAR
(PARTNER)
MEMBERSHIP NUMBER: 538844
29th May, 2024
New Delhi
UDIN: 24538844BKBNAZ3706



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Samtex Fashions Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 and according to information and explanations given to us, the company does not have an adequate internal financial control system commensurate with the size of company and nature of its business.

**FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N**

**MOHIT KAKKAR
(PARTNER)
MEMBERSHIP NUMBER: 538844
29th May, 2024
New Delhi
UDIN: 23538844BKBNAZ3706**

SAMTEX FASHIONS LIMITED
Cash flow statement for the year ended 31st March 2024

(In Lakhs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
A. Cash flow from operating activities		
Profit for the year	(31.99)	(28.99)
Adjustments for:		
Income tax expense		-
Amounts Charged directly to Other Comprehensive Income	0.05	0.20
Depreciation and amortisation	3.47	3.61
Loss/(Gain) on disposal of property, plant and equipment		-
Interest income recognised in profit or loss	(0.76)	(0.66)
Finance cost recognised in profit or loss	0.11	0.04
Fixed assets written off		
Net unrealised exchange (Gain)/Loss		
Net (gain)/loss recognised for derivatives		
Movements in working capital:		
(Increase) /decrease in trade and other receivables	31.95	32.04
(Increase) /decrease in other financial assets	0.63	(0.34)
(Increase) /decrease in other current assets	(4.51)	(2.90)
(Increase) /decrease in other non-current assets		
(Increase) /decrease in inventories		
Increase/ (decrease) in trade payables	1.25	(2.93)
Increase/ (decrease) in provisions		-
Increase/ (decrease) in other current liabilities	0.11	(0.05)
Cash generated from operations	0.32	0.0
Income taxes paid (net of refund, if any)	0.08	0.07
Net cash generated from operations	0.24	(0.06)
B. Cash flow from investing activities		
Payments for property, plant and equipment		
Proceeds from disposal of property, plant and equipment		
Interest received	0.76	0.66
(Increase) /decrease in other bank balances	(1.32)	(0.25)
Net cash generated from / (used in) investing activities	(0.56)	0.41
C. Cash flow from financing activities		
Net Increase /(Decrease) in long term borrowing		
Net Increase /(Decrease) in short term borrowing		
Interest Paid	(0.11)	(0.04)
Net cash used in financing activities	(0.11)	(0.04)
Net change in cash and cash equivalents	(0.42)	0.31
Cash and cash equivalents as at the beginning of the Year	1.86	1.54
Cash and cash equivalents as at the end of the Year	1.43	1.86
Reconciliation of Cash and cash equivalents with the Balance Sheet: Cash and cash equivalents[Refer Note 10]	1.43	1.86
In terms of our report attached. For KAPIL KUMAR & CO Chartered Accountants FRN NO 006241N	For and on behalf of the Board of Directors SAMTEX FASHIONS LTD	
	ATUL MITTAL (Managing Director & CFO) DIN NO-00223366	SURENDRA KUMAR GUPTA (Director) DIN NO-00223035
(MOHIT KAKKAR) Partner M no. 538844		
UDIN:24538844BKBNAZ3706 Place : NEW DELHI Date: 29th May,2024		

(In Lakhs)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	1	266.69	270.16
	(b) Capital work-in-progress			
	(c) Intangible assets			
	(d) Financial assets			
	(i) Investments	2	150.01	150.01
	(ii) Trade Receivables	2	607.09	639.04
	(iii) Other financial assets	2	7.42	7.42
	(e) Deferred tax assets (net)		132.28	132.28
	(f) Other non-current assets	3	118.68	118.68
	Total Non - Current Assets		1,282.16	1,317.58
2	Current assets			
	(a) Inventories	4	25.32	25.32
	(b) Financial assets			
	(i) Trade receivables	5	-	-
	(ii) Cash and cash equivalents	6	1.43	1.86
	(iii) Bank balances other than (ii) above	6	11.78	10.46
	(iv) Other financial assets	2	0.74	1.37
	(c) Current Tax Assets (Net)		26.63	26.56
	(d) Other current assets	6	92.77	88.26
	Total Current Assets		158.68	153.83
	Total Assets (1+2)		1,440.84	1,471.41
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	7	1,491.80	1,491.80
	(b) Other equity	8	(1,461.34)	(1,429.40)
	Total equity		30.46	62.40
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9	630.56	630.56
	(b) Provisions	10	15.84	15.84
	Total Non - Current Liabilities		646.40	646.40
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings			
	(ii) Trade payables dues to MSME	11	762.88	761.63
	(ii) Trade payables dues to other than MSME	10		
	(b) Provisions			
	(c) Current Tax Liabilities (Net)		1.10	0.99
	(d) Other current liabilities	12		
	Total Current Liabilities		763.98	762.62
	Total Equity and Liabilities (1+2+3)		1,440.84	1,471.41

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For KAPIL KUMAR & CO

Chartered Accountants

FRN NO 006241N

(MOHIT KAKKAR)

Partner

M NO-538844

UDIN:24538844BKBNZ3706

Place : NEW DELHI

Date: 29th May,2024

For and on behalf of the Board of Directors

SAMTEX FASHIONS LTD

SURENDRA KUMAR GUPTA

(Director)

DIN NO-00223035

ATUL MITTAL

(Managing Director & CFO)

DIN NO-00223366

Statement of Profit and Loss for the year ended March 31, 2024

(In Lakhs)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
I	Revenue from operations	13		
	Add: Transfer to New York			
II	Other Income	14	0.76	0.66
III	Total Revenue (I + II)		0.76	0.66
IV	EXPENSES			
	(a) Cost of materials consumed	15		
	(b) Purchase of Stock-in-Trade			
	Add: Transfer from India			
	(c) Changes in stock of finished goods and work-in-progress	16		
	(d) Employee benefit expense	17	7.66	8.25
	(e) Finance costs	18	0.11	0.04
	(f) Depreciation and amortisation expense	19	3.47	3.61
	(g) Other expenses	20	21.51	17.76
	Total Expenses (V)		32.75	29.65
VI	Profit/(loss) before exceptional items and tax (I- IV)			
	Exceptional Item Expenses			
	Exceptional Item Expenses			
VII	Profit/(loss) before tax (V - III)		(31.99)	(28.99)
VIII	Tax Expense			
	(1) Current tax			
	(2) Deferred tax		-	-
	Total tax expense		-	-
IX	Profit/(loss) for the year (VI - VII)		(31.99)	(28.99)
X	Other comprehensive income(Net)		0.05	0.20
			0.05	0.20
X	Total comprehensive income/(loss) for the year (VIII + IX)		(31.94)	(28.80)
XII	Earnings per equity share (of Rs 10 each):			
	(1) Basic		(0.04)	(0.04)
	(2) Diluted		(0.04)	(0.04)

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For KAPIL KUMAR & CO

Chartered Accountants

FRN NO 006241N

For and on behalf of the Board of Directors

SAMTEX FASHIONS LTD

ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

(MOHIT KAKKAR)
Partner
M NO-538844

UDIN:24538844BKBNAZ3706

Place : NEW DELHI

Date: 29th May,2024

Statement of changes in equity for the year ended 31 March 2024

	Equity Share Capital		Share Warrant	
	Number of shares	Amount (Rs)	Number of shares	Amount (Rs)
a. Equity share capital				
Balance as at March 31, 2022	745	1,490	1	1.80
Change in equity share capital during the year				
Balance as at March 31, 2023	745	1,490	1	2
Change in equity share capital during the year				
Balance as at March 31, 2024	745	1,490	1	2

b. Other equity	Capital Reserves	Security Premium	Reserves & Surplus	Total
Balance as at March 31, 2022	10	1,140	(2,550.60)	(1,400.60)
(a) Loss for the year			(28.99)	(28.99)
(b) Other Comprehensive income of the year, net of income tax - Remeasurement of the defined benefit plans			0.20	0
Total comprehensive income/(loss) for the year			(28.80)	(28.80)
Balance as at March 31, 2023	10	1,140	(2,579.40)	(1,429.40)
(a) Loss for the year			(31.94)	(31.94)
(b) Other Comprehensive income of the year, net of income tax - Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year			(2,611.34)	(2,611.34)
Balance as at March 31, 2024	10	1,140	(2,611)	(1,461.34)

In terms of our report attached.

For **KAPIL KUMAR & CO**
Chartered Accountants
FRN NO 006241N

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

(MOHIT KAKKAR)
Partner
(M.NO: 538844)

ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

SURENDRA KUMAR GUPTA
(Director)
DIN NO-00223035

UDIN:24538844BKBNAZ3706
Place : NEW DELHI
Date: 29th May,2024

SAMTEX FASHIONS LIMITED

Notes to the financial statements for the year ended March 31, 2024

Note No. 1 - Property, plant and equipment

(In Lakhs)

Description of Assets	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Mobiles	Housing Project	Total
Cost or deemed cost							
Balance as at March 31 2022	447.96	0.22	0.07	8.69	3.38	121.23	581.55
Additions during the year							
Deletions during the year							
Balance as at March 31 2023	448	0.22	0.07	8.69	3.38	121.23	582
Additions during the year							
Deletions during the year							
Balance as at March 31 2024	448	0.22	0.07	8.69	3.38	121.23	582
Accumulated Depreciation and impairment							
Balance as at March 31 2022	301	0	0	4	3	-	308
Depreciation / amortisation expense	3	-	-	0	-	-	4
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at March 31 2023	304	0	0	4	3	-	311
Depreciation / amortisation expense	3	-	-	-	-	-	3
Eliminated on disposal of assets							
Balance as at March 31 2024	308	0	0	4	3	-	315
Net Carrying Amount							
Balance as at March 31 2023	144	0	0	5	0	121	270
Balance as at March 31 2024	140	0	0	5	0	121	267

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

SAMTEX FASHIONS LIMITED

Notes to the financial statements for the year ended March 31, 2024

Note No. 2 - Other financial assets [unsecured and considered good, unless otherwise stated]

Particulars							As at March 31, 2024	As at March 31, 2023
Non-current								
Financial assets at amortised cost								
Investments								
Unquoted Equity Investments								
a) Investment in Arlin Foods Limited 15,00,070 Equity Shares (Previous Year 15,00,070) of Rs							150.0	150.01
b) Investment in SSA International Limited. 3,72,00,000 Equity Shares (Previous Year 3,72,00,000) of Rs 10/- Each Fully Paid-up.							3720.0	3,720
c) Investment in Yogendra Worsted Limited 6,00,000 Equity Shares							60.0	60
Total							3,930.01	3,930.01
Less: Impairment in Value of Investments								
SSA International Limited							3,720.00	3,720.00
Yogendra Worsted Limited							60.00	60.00
Net Value of Investments							150.01	150.01
Trade Receivable								
Undisputed Trade Receivables- Considered Good							607.09	639.04
Undisputed Trade Receivables- Considered Doubtful								
Disputed Trade Receivables- Considered Good								
Disputed Trade Receivables- Considered Doubtful								
Others								
	LESS THAN 6 MONTHS	6 MONTHS 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL		
31.03.2024	0	0	0	0	607.0871	607.0871		
31.03.2023	0	0	0	0	639.0371	639.0371		
Other Financial Assets								
d) Security Deposits							7.42	7.42
TOTAL [I]							7.42	7.42
Current								
Financial assets at amortised cost								
a) Interest accrued on bank deposits							0.74	1.37
TOTAL [II]							0.74	1.37
TOTAL [I + II]							8.16	8.80
Note No.3- Other assets [unsecured and good, unless otherwise stated]								
Particulars							As at March 31, 2024	As at March 31, 2023
Non Current								
(a) Duty paid under protest							118.68	118.68
Total [I]							119	119
Current								
(a) Prepaid expenses								0
(b) Other advances							48.97	48.97
(c) Balance with Government authorities							43.81	39.29
Total [II]							92.77	88.26
TOTAL [I+II]							211.45	206.94
Note - 4: Inventories [lower of cost and net realisable value]								
Particulars							As at March 31, 2024	As at March 31, 2023
(a) Raw materials								
(b) Work-in-progress								
(c) Finished goods							25.32	25.32
(d) Stores and spares								
(e) Scrap								
Total Inventories at the lower of cost and net realisable value							25.32	25.32

SAMTEX FASHIONS LTD
Notes to the financial statements for the year ended March 31, 2024

Note No. 5 - Trade receivables

(In Lakhs)

Particulars	(In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Current (a) Unsecured, considered good		-
TOTAL		-

Note - 6 Cash and bank balances

(In Lakhs)

Particulars	(In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
1. Cash and cash equivalents:		
a) Cash on hand	0.23	0.23
b) Balance with banks		
(i) In current accounts	1.20	1.62
(ii) In other deposit accounts		
Total-Cash and cash equivalents [A]	1.43	1.86
2. Other bank balances		
a) Balance with banks		
(i) In other deposit accounts (maturity in excess of 3 Months)	11.78	10.46
Total-Other bank balances [B]	11.78	10.46
TOTAL [A+B]	13.21	12.32

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note No.7 - Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
AUTHORIZED SHARES				
Equity Shares of Rs 2/- Each	800.00	1,600.00	800.00	1,600.00
ISSUED, SUBSCRIBED AND PAID UP SHARES				
Equity Shares of Rs 2/- Each Fully Paid Up	745.00	1,490.00	745.00	1,490.00
FORFEITED SHARES				
Amount Originally Paid up on 1,00,000 Zero Coupon Warrant @ 1.80 per Warrant	1.00	1.80	1.00	1.80
TOTAL	746.00	1,491.80	746.00	1,491.80

(a) Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
EQUITY SHARES				
At the beginning of the year	745.00	1,490.00	745.00	1,490.00
Issued during the year as fully paid up	-	-	-	-
Outstanding at the end of the year	745.00	1,490.00	745.00	1,490.00

(b) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013 (if more than 5%)

Particulars	As at March 31, 2024		As at March 31, 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	% of Holding
Anil Kumar Goel	42.50	5.70	42.50	5.70

(c) Shares held by promoter

Particulars	As at March 31, 2024		As at March 31, 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	% of Holding
Atul Mittal	26.00	3.49	26.00	3.49

(d) The Company has only one class of equity shares having a par value of ` 2/- per share. The equity shareholders of the Company have voting rights and are subject to the preferential rights as prescribed under law, if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 2013. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31st March 2024, no dividend is declared by Board of Directors. (Previous year - Nil)

(e) Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: Nil (Previous year - Nil)

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note - 9: Non Current Borrowings

Particulars	As at March 31,2024	As at March 31,2023
Unsecured Borrowings - at amortised Cost		
(i) Unsecured Borrowings from advances & related parties	630.6	630.56
Total Borrowings carried at Amortised Cost	630.56	630.56

Note - 10: Provisions [Current and Non-current]

Particulars	As at March 31,2024	As at March 31,2023
Non Current		
(a) Provision for employee benefits		
a. Provision for leave encashment	10.70	10.70
b. Provision for gratuity	5.14	5.14
Total [I]	15.84	15.84
Current		
(a) Provision for employee benefits		
a. Provision for leave encashment		
b. Provision for gratuity		
Total [II]	-	-
Total Provisions [I+II]	15.84	15.84

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

(In Lakhs)

Note - 11: Trade Payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables dues to MSME		-
Trade payables dues to other than MSME	762.881326	761.631476
Disputed Dues -MSME		-
Disputed Dues -Others		-
Total	763	762

Other Than MSME Creditor	Ageing of Trade Payable as at				TOTAL
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at 31.03.2024	1.69	2.19		759.00	762.88
As at 31.03.2023	2.19	-	3	756	761.63

Note - 12: Other Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
a) Other Payable	0.9515588	0.8215588
b) Statutory dues payable	0.1488	0.16462
Total other liabilities	1.10	0.99

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note - 13: Revenue from operations

Particulars	As at March 31,2024	As at March 31,2023
	(Rs)	
(a) Sale of products		
Total Revenue from operations		

Note - 14: Other Income

Particulars	As at March 31,2024	As at March 31,2023
	(a) Interest income	0.76
(b) Rent Income		
Total other income	0.76	0.66

Note - 15: - Cost of material consumed

Particulars	As at March 31,2024	As at March 31,2023
	Opening stock	
Add: Purchases		
Less: Closing stock		
Total cost of material consumed		

Note - 16: - Changes In Inventories of Stock-In-Trade

Particulars	As at March 31,2024	As at March 31,2023
	<u>Inventories at the beginning of the year:</u>	
Finished goods	25.32	25.32
Finished goods in transit		
Work-in-progress		
Scrap Material		
	25.32	25.32
<u>Inventories at the end of the year:</u>		
Finished goods	25.32	25.32
Finished goods in transit		
Work-in-progress		
Scrap Material		
	25.32	25.32
Net (increase) / decrease	-	-

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note - 17: Employee benefit expenses

Particulars	As at March 31,2024	As at March 31,2023
Salaries and wages	7.66	8.25
Contributions to provident fund		
Total Employee benefit expenses	7.66	8.25

Note - 18: Finance cost

Particulars	As at March 31,2024	As at March 31,2023
Interest expense on:		
(i) Interest on working capital facilities		
Bank Charges	0.11	0.04
Total Finance cost	0.11	0.04

Note - 19: Depreciation and amortisation expense

Particulars	As at March 31,2024	As at March 31,2023
(i) Property, plant and equipment	3.47	3.61
Total Depreciation	3.47	3.61

Note - 20: Other expenses

Particulars	As at March 31,2024	As at March 31,2023
Auditor's Remuneration	1.00	1.00
Rent Expenses	7.34	6.78
Legal and Professional Charges	6.97	4.08
Rates and Taxes	5.60	5.04
Interest on TDS	0.00	0.09
Postage, Telegram and Telephone Expenses	0.05	0.00
General Expenses	0.00	0.22
Advertisement Expenses	0.55	0.54
Total other expenses	21.51	17.76

Note 21. Categories of Financial Instruments

PARTICULARS	As at March 31, 2024	As at March 31, 2023
	(Rs)	(Rs)
Financial assets		
Measured at Amortised cost		
a) Trade Receivables	607.09	639.04
b) Loans	7.42	7.42
c) Cash & Cash Equivalents	1.43	1.86
d) Other Bank Balances	11.78	10.46
e) Other Financial Assets	0.74	1.37
Total Financial assets	628.46	660.15

Financial liabilities	As at March 31, 2024	As at March 31, 2023
Measured at Amortised cost		
a) Borrowings	630.56	630.56
b) Trade Payables	762.88	761.63
Total Financial liabilities	1,393.44	1,392.19

Financial Assets as at FVTPL		
a) Investments	150.01	150.01

Note 22 - CONTINGENT LIABILITIES

(a) No provision has been made in the books of accounts by the company for a sum of Rs.59.02 lacs, Rs. 60.66 lacs Rs.5.80 lacs & Rs.40.80 lacs for which the demand has been raised by the Income Tax Department for the A.Y. 2000-01, A.Y. 2001-02, A.Y.2003-04 & A.Y.2007-08, respectively. Appeal before High Court for A.Y. 2000-01 & 2001-02 have been dismissed, hence, the company is in the process of filing Special Leave Petition (SLP) before Supreme Court. The liabilities for A.Y. 2003-04 & A.Y. 2007-08 stands before the Appellate Authority.

b) **Guarantees** :-The company has guaranteed a sum of Rs. 80,746 Lacs (Previous Year Rs. 80,746 Lacs) against secured Loans taken by SSA International Ltd. from financial institutions; these are wholly owned subsidiaries of the Company. The accounts of the wholly owned subsidiary SSA International Ltd has been classified as Non performing assets by the banks. The company has also received the notice u/s 13(2) of SARFESI Act from consortium of banks for revocation of its corporate guarantee.

Note 23 - SEGMENT REPORTING

During the current year the reportable segment did not exceed the quantitative threshold limits as per the applicable accounting standard. Hence necessary disclosures under this Act have not been given. In earlier years the company has identified a reportable segment viz M/S Samtex Fashions Ltd. New York. Segments and necessary disclosures were made. The accounting policies adopted for segment reporting are in line with the Accounting Policy of the Company. Except the Accounting period which is for the Segment is calendar year.

Note 24 - EARNINGS PER EQUITY SHARE

Particulars	As at 31.03.2024	As at 31.03.2023
	Amount	Amount
Earnings Per Equity Share:		
Net Profit after tax	-31.94	-28.80
Equity Shares outstanding	745.00	745.00
Weighted Average Equity Shares	745.00	745.00
Nominal Value of Equity Share	2.00	2.00
Basic Earnings per Share	-0.04	-0.04
Diluted Earnings per Share	-0.04	-0.04

Note 25 - PAYMENTS TO AUDITOR

Particulars	As at 31.03.2024	As at 31.03.2023
	Amount	Amount
(a) Statutory Audit Fee	1.00	1.00
(b) Other Services		
(i) For certification		
(ii) For Income Tax		
	1.00	1.00

Note 26 - TRANSACTION WITH MICRO, SMALL AND MEDIUM ENTERPRISES

The Company has not received information from vendors regarding their status and status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence necessary disclosures under this Act have not been given.

Note 29 -Additional Regulatory Information

1. No transactions to report against the following disclosure requirements as notified by MCA

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Related to borrowed funds
 - ii. Utilization of borrowed funds & share premium.
 - iii. Borrowings obtained on the basis of security of current assets.
 - iv. Discrepancy in utilization of borrowings.
 - v. Current maturity of long-term borrowings.
- e) Revaluation of Assets
- f) Capital-work in progress
- g) Intangible Assets under development.
- h) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of companies Act, 1956 during the Financial Year.

- i) The company did not undertake any transactions with regards to any scheme of arrangement in terms of section 230 to 237 of the companies act 2013.
- j) Title deeds of immovable property are held in the name of company.

2. Others

Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

a)

- i) repayable on demand or
ii) without specifying any terms or period of repayment

Type of Borrower	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters		
Directors		
KMPs		
Related Parties	16.23	42.45%

3. RATIOS

Ratios	Numerator	Denominator	Current Reporting Period	Previous Reporting Period
Current Ratio	Current Assets	Current Liabilities	0.208	0.202
Debt Equity Ratio	Debt Capital (Current and previous year is NIL,therefore the ratio is not calculated)	Shareholder's Equity	-	-
Debt Service coverage ratio	EBITDA-CAPEX	Debt Service (Current and previous year is NIL,therefore the ratio is not calculated)	-	-
Return on Equity Ratio	Profit for the year (Current and previous year is NIL,therefore the ratio is not calculated)	Shareholder's Equity	-	-
Inventory Turnover Ratio	COGS(Current and previous year is NIL,therefore the ratio is not calculated)	Average Inventory	-	-
Trade Receivables turnover ratio	Net Sales(Current and previous year is NIL,therefore the ratio is not calculated)	Average trade receivables	-	-
Trade payables turnover ratio	Total Purchases (Current and previous year is NIL,therefore the ratio is not calculated)	Closing Trade Payables	-	-
Net capital turnover ratio	Sales(Current and previous year is NIL,therefore the ratio is not calculated)	Working capital (CA-CL)	-	-

Net profit ratio	Net Profit	Sales(Current and previous year is NIL,therefore the ratio is not calculated)	-	-
Return on Capital employed	Earnings before interest and tax(Current and previous year is NIL,therefore the ratio is not calculated)	Capital Employed	-	-
Return on investment	Net Profit	Investment	-	-

Note 30-Others

(I) Confirmation of balances of trade debtors, loans and advances, trade payables, security deposits, balances with government authorities have not been provided to us, we are unable to comment on the possible impact, it any, arising out of the said matters.

(ii) Investment of Rs 3720 Lakh in SSA International Limited & Rs 60 Lakh in Yogendra Worsted Limited, for which provision for diminution in value of Investment has been booked during the earlier year, as the company has incurred heavy losses due to which networth of the company has been eroded.

(iii) The wholly owned Subsidiary of the company, namely, M/S SSA International Ltd has been declared Non Performing Assets (NPAs) by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act, 2002 from consortium of banks for revocation of its Corporate Guarantee. . The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018. Further, IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines.

(v) The Company has regrouped/reclassified the previous year figures to make them comparable with current

In terms of our report attach

For and on behalf of the Board of Directors

For Kapil Kumar & Co
Chartered Accountants

SAMTEX FASHIONS LTD

Firm's Regn No. 006241N

ATUL MITTAL

SURENDRA KUMAR GUPTA

(Managing Director & CFO)

(Director)

DIN NO-00223366

Din: 00223035)

(Mohit Kakkar)

Partner

M.No. 538844

UDIN:24538844BKBNAZ3706

Place : NEW DELHI

Date: 29th May,2024

Note 31 - RELATED PARTY DISCLOSURES

I. Related Parties with Whom Transactions have been Taken Place and Relationships.

S. No.	Name of Related Parties	
1	SSA International Limited	Wholly owned Subsidiary company
2	Arlin Foods Limited	Wholly owned Subsidiary company
3	Bloomingdale Vendors Pvt Ltd	Enterprises under control of KMP/ Relative
4	Atul Mittal	Director

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions

Nature of Transaction	SSA International Limited		Arlin Foods LTD		Bloomingdale Vendors Pvt Ltd		Atul Mittal	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
	A. Investments							
Opening Balance			150.01	150.01				
Investment made during earlier years	3,720.00	3,720.00						
Impairment during earlier years	3,720.00	3,720.00						
Closing Balance	-	-	150.01	150.01				
C. Borrowings								
Opening Balance							274.80	274.80
Amount paid During the Year								
Amount Received during the year								
Closing Balance							274.80	274.80
D. Loan & Advances								
Opening Balance								
Amount paid During the Year								
Amount Received during the year								
Expenses paid directly								
Closing Balance								
E. Debtor/ Creditors								
Opening Balance (debit)			16.23	16.23	0.18	3.27		
Amount Received during the year						3.09		
Amount Paid during the year								
Expenses directly incurred								
Closing Balance			16.23	16.23	0.18	0.18		-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

COMPANY OVERVIEW

Samtex Fashions Limited (“the Company” hereinafter) was incorporated on 26.04.1993. The company is engaged primarily in the business of manufacture of ready-made garments and also in trading activity of food grains. Originally the plant of the company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in March 2019 the company further changed its business premises from time to time and since then no manufacturing activity has been carried on.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

i) These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements. These financial statements were approved for issue by the Board of Directors on 29th MAY 2024.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Lac (INR 00,000), except when otherwise indicated.

**b) Basis of measurement**

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i) Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)
- ii) Defined benefit and other long-term employee benefits have been measured at actuarial valuation as required by relevant Ind As.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

c) Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.



Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

Ind AS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognized in the financial statements as at the date of transition of Ind AS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by Ind AS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

Originally the plant of the company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in march 2019 the company further changed its business premises from time to time and since then no manufacturing activity has been carried on. The Company is required to determine impairment in respect of fixed assets, However the impairment testing has not been done during the year.

d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on straight line method over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company. Depreciation on additions is provided on a pro-rata basis from the month of



installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

S no	Asset Classification	Useful Life
1	Factory Building	30 Years
2	Furniture & Fixture	10 Years
3	Office Equipment	5 Years
4	Vehicles	3 Years
5	Mobile	3 Years
6	Electrical Fittings	10 Years
7	Plant	15 Years

e) Impairment of Tangible and Intangible Assets

No business activity has been carried on by the company during the year and production facilities has not been used for a long period of time The company is required to determine impairment in respect of fixed assets, However the company has not done impairment testing.

f) Inventories:

Inventories are valued as follows:

Raw materials, stores& accessories are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Finished goods, stock-in-trade are valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on FIFO basis.

**g) Borrowing Costs:**

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed 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.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

i) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty/GST.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Export benefits are accounted on recognition of export sales.

j) Employee benefits:

- i. The company has not undertaken any business activity during the year and moreover majority of the employees of the company left the company and their dues are settled full and final over the period of time. Considering this fact, the company has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

However, for brought forward defined benefit plans recognized and remeasured during earlier years, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), was reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI was reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost was recognized in the Statement of Profit and Loss in the period of a plan amendment. Net interest is



calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

k) Income Tax:

Income Tax expenses comprise current tax and deferred tax charge or credit. Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws. Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable. Deferred tax asset if any is created on the temporary difference attributable to Property and Equipment and expense allowable on actual payment basis and in case of accumulated losses and unabsorbed depreciation deferred tax asset is only created to the extent of deferred tax liability, considering the certainty of future profits.

l) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**m) Foreign Currency Transactions:**

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income. The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

n) Segment reporting

The Company has two reportable segments based on geographic locations India & New York. Segments have been identified as reportable segments by the Company's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance. Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and



amortization, and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

However, during the current year the reportable segment did not exceed the quantitative threshold limits as per the applicable accounting standard.

o) Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments Initial Recognition. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortized Cost:

A financial asset shall be classified and measured at amortized cost if both of the following conditions are met



- the financial asset is held within a business model whose objective is to hold financial 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

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through OCI. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL: Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

**Impairment of financial assets:**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period.

Trade receivables amounting to Rs 671.07 lacs which are long overdue and not provided for allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding.

Derecognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On de recognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

**p) Financial Instruments****Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received.

q) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

r) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis.



Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

**FOR KAPIL KUMAR & CO
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO: 006241N**

**MOHIT KAKKAR
(PARTNER)
MEMBERSHIP NUMBER: 538844
29th May, 2024
New Delhi
UDIN: 23538844BKBNAZ3706**

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF****SAMTEX FASHIONS LIMITED****Report on Audit of the Consolidated Financial Statements****Qualified Opinion**

We have audited the accompanying consolidated financial statements of SAMTEX FASHIONS LIMITED, ("the Parent") and its subsidiary (the Company and its subsidiary together referred to as "the Group") which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view (subject to the matters of Basis of Qualified Opinion and emphasis mentioned below) in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit 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 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 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.

- i. The wholly owned subsidiary M/s SSA International Ltd has defaulted in repayment obligations towards banking institutions. The subsidiary company M/s SSA International had not made provision of Interest on Cash credit/Term loan charged by banks/financial institutions during the current year and earlier years on various loans taken from Bank /



Financial Institutions in the Financial Statements. Had the company made such Interest provision in the Statement of Profit and loss, the loss for the year and the accumulated would have been higher. The non-recognition of interest expenses is not in accordance with Ind AS on borrowing costs requirement.

- ii. Originally the plant of the holding company was setup at NSEZ, Noida which was later on shifted outside NSEZ during the FY 2017-18 and in March 2019, the company further changed its business premises from time to time and since then no manufacturing activity has been carried on

The group is required to determine impairment in respect of fixed assets, However the group has not done impairment testing. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the financial statements is not ascertainable.

The wholly owned subsidiary M/s Arlin Foods Ltd has not charged any depreciation on its property, plant and equipment. The depreciation has been recognized based on of useful life and residual value estimated by the management, the estimates have been relied upon by us.

- iii. Balance of debtors are outstanding from long period and are subject to confirmation and consequential effect if any on the financial statements remains uncertain. The trade receivables of the company could not be verified as the confirmation of balances have not been provided and made available to us. Trade receivables amounting to Rs 28479.08 lacs which are long overdue and not provided for. Allowance for expected credit loss have not been recognized on these financial assets. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.

- iv. The wholly owned subsidiary M/s SSA International Ltd had received notice of sale of assets situated at Samalkha, District, Panipat Haryana from IDBI Bank from time to time and further the company has informed that it has come to their knowledge through newspaper advertisement that the consortium member banks have executed auction of its assets at Samalkha plant. However, in absence of any information regarding the sale of assets i.e. detail of assets sold by bank, value at which the said sale transaction has been undertaken, bank wise utilization of amount received against said sale, the company has neither taken into consideration the said transaction while preparing its financial statements as on 31.03.2024 nor in earlier years and had the company



recorded the said transaction the value of property plant and equipment along with depreciation charged would reduce and the amount owed to the financial institutes would also reduced with the amount received on account of said auction sale. Further there would arise profit or loss on sale of assets and taxation implication on said transaction which will ultimately results in increase or decrease in current year profit/ loss as well as accumulated losses. Further it has come to our knowledge that similarly the consortium bankers have executed sale of assets of directors/ guarantors mortgaged with them during the year as well as earlier years and adjusted the amount received on said auction sale with amount owed by the company to the financial institutions, however the company has not recorded the effect of such transaction in its financial statements. we are unable to comment on the consequential impact of adjustment arising there from in the results, if any, is not ascertainable. We the Auditor , in our independent capacity tried to communicate with bankers to provide the detail of assets in possession and the transactions done by bankers with respect to these assets, however no response has been received .Therefore, we are unable to comment on the consequential impact of adjustment arising there from in the results, if any, is not ascertainable.

- v. The group has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

Material Uncertainty to Going Concern:

The Group has made losses during the current year and the preceding year. As a result of the losses, the liquidity position of the group has been substantially affected, the net worth of group has fully eroded and group's current liabilities exceeded its current assets as at the balance sheet date, adversely affecting the operations of the group. Moreover, no business activity has been undertaken throughout the year, indicating the existence of uncertainty about the ability of the group to continue as a going concern.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as going concern and therefore the group may be unable to realize its assets and discharge its liabilities in the normal course of business. As a result of ongoing matters, we are unable to determine as to whether any adjustment that would have been necessary and required to be made in respect of trade receivable, trade payables, borrowings, current liabilities, loans and advances and contingent liabilities as at 31st March, 2024 and in respect of the corresponding possible impact of such items and associated elements on the statement for the year ended on that date, should the group be unable to continue as a going concern. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact. if any, on the accompanying consolidated



financial statements. However, the financial statements of the group have been prepared on a going concern basis.

Emphasis of Matter

- i. The group has not under taken any business activity during the year.
- ii. The holding company had already given a corporate guarantee for an amount of Rs 807.46 crores against secured loans taken by its wholly owned subsidiary, namely M/s SSA International Limited, which has been classified as nonperforming assets by the banks. The company has also received the notice u/s 13(2) of the SARFAESI Act 2002 from consortium of banks for revocation of its corporate guarantee. The consortium bankers have filed a petition against the holding company and its subsidiary M/s SSA International Limited regarding recovery of the outstanding dues, before the Debt Restructuring Tribunal-II, Delhi, and the company has received an intimation vide O.A 530/18 dated 24/05/2018. Further, IDBI Bank has declared the main borrower (M/s SSA International Ltd), its directors and Guarantors (including M/s Samtex Fashions Ltd) as willful defaulters in terms with RBI Guidelines and further the IDBI Bank pursuant to provisions of SARFAESI Act 2002 has taken over the possession of premises of M/s SSA International Ltd at Village Patti Kalyan Tehsil Samalkha District Panipat, Haryana. The updated details of proceedings against the company and its subsidiary M/s SSA International Ltd has not been made available, in absence of such details we are unable to comment on the possible impact, it any, arising out of the said matters.
- iii. Confirmation of balances are not available for Trade payables, security deposits, balances with government authorities, bank balances, FDR's along with interest thereon and bank loans as at March 31, 2024. That is why the transactions made by the banks in the accounts of the company could not be reconciled in the absence of information from banks regarding transactions in bank accounts. Moreover, there are several bank current accounts having balances amounting to Rs 53.13 lacs as on 31.03.2024 as per books of accounts of the subsidiary company M/s SSA International Ltd, no transactions have been made in these accounts during the year and we have not been provided with the bank account statements of these accounts to confirm the balances. In absence of such details, we are unable to comment on the possible impact, it any, arising out of the said matters.
- iv. The group had given loans and advances as on 31.03.2024, majority of which are outstanding from long time. In the absence of recovery and confirmation from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable. Moreover, we have not been provided with justification giving said advance and sufficient, appropriate audit evidence relating to verification of the same.



Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, it any, arising out of the said matters.

- v. We have not been provided with sufficient, appropriate audit evidence relating to physical verification of fixed assets and inventory. Pending completion of such verification we are unable to comment on the possible impact, it any, arising out of the said matters.
- vi. As of 31st March 2024, the holding company's inventory amounting to Rs 25.32 lacs and as no business activity has been taken out during the year, the inventories have not been used for a long period of time, the company may provide for if any inventory item is damaged or has become obsolete or if the selling price has declined.
- vii. Balances of input tax credit under goods and service tax are not in confirmation with balances as appearing in the online portal.
- viii. We have not been provided with the internal audit report.
- ix. We have not been provided with sufficient, appropriate audit evidence relating to classification of trade payable dues to MSME and trade payable dues other than MSME. Pending completion of such verification/ reconciliation, we are unable to comment on the possible impact, it any, arising out of the said matters.
- x. The holding company continued to recognize deferred tax assets up to March 31, 2024, in absence of probable certainty and convincing evidence for taxable income in future, we are unable to ascertain the extent to which these deferred tax assets can be utilized.
- xi. As informed to us the bank accounts of the holding company were put on debit freeze by EPF department and we have not been provided with detailed explanation regarding the litigation with the EPF department. Moreover, several litigations are ongoing with the Income Tax Department against which the holding company has also deposited Rs 118.67 lacs for different financial years under protest, however we have not been provided with details and current status of the said litigations. We are unable to comment on possible impact, if any arising out of the said matter.

Our report is not modified in respect of the above matter stated.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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

The Holding Company's Board of Directors is responsible for 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 auditor's report thereon.

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

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

Responsibilities of Management and those charged with governance for the financial statements

The Holding 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with relevant rule there under and other accounting principles generally accepted in India in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the group'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 group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of financial statement

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the listing Regulations.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to



events or conditions that may cast significant doubt on the group'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 group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Financial Results of the group to express an opinion on the Financial Results.

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

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

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

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

**Other Matters**

1. The consolidated financial results include the unaudited financial statements/ financial information of M/s Lina Global Inc (wholly owned subsidiary of M/s SSA International Ltd) whose Ind AS Financial Statements reflect total assets of Rs. 358.77 crores as at 31st March, 2024, revenue from operations of Rs. Nil for the year ended on that date. This financial statements/ financial information is unaudited and have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on such unaudited financial statements/financial information. We are not in a position to comment on the consequential impact, if any, arising out of subsequent audit of these entities, on the consolidated Ind AS financial statements. Our opinion on the consolidated Ind AS financial statement is modified in respect of our reliance on the Ind AS financial statements / financial information certified by the Management of the company.

Report on Other Legal and Regulatory Requirements**(Annexure-A)**

1. With respect to matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the respective auditors of the companies included in consolidated financial statements of the Company, to which reporting under CARO is applicable, we report as under:

Sr No.	Name of the Entity	CIN	Holding Company/Subsidiary Company	Clause number of the CARO report which is qualified or adverse.
1	SSA International Limited	U15122DL1995PLC068186	Wholly owned subsidiary	Clause3(1)(a)(A),3(1)(c),3(ii)(b),3(ix)(a)&(b),3(xiv),3(xvii).
2	Arlin Foods Limited	U15209DL2008PLC173566	Subsidiary Company.	Clause3(1)(a)(A),3(xiv).

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the branch auditors and other auditors on the separate financial statements/ financial information of the branches and joint operations, referred to in the Other Matters paragraph above we report, to the extent applicable that:



- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books.
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the holding Company, as on 31 March 2024 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses a qualified / adverse opinion on the operating effectiveness of the group’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The group has disclosed the impact of pending litigations on its financial position in its consolidated Ind AS financial statements refer note no. 23.
 - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on our examination which included test checks, management does not provide us sufficient audit evidences which give us assurance that the company has enabled audit trail feature in its accounting software, hence we are unable to comment on audit trail feature of the said software.

FOR KAPIL KUMAR & CO

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO: 006241N

MOHIT KAKKAR

(PARTNER)

MEMBERSHIP NUMBER: 538844

UDIN :24538844BKBNAY9409

29th MAY, 2024

New Delhi

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of Samtex Fashions Limited ("the Holding Company"), and that of its subsidiary company (the Holding Company and its subsidiary constitute "the Group").

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to groups'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 holding company's and its subsidiaries internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness



exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A group'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 group'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 groups'; (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 group are being made only in accordance with authorizations of management and directors of the holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the group'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 and according to information and explanations given to us, the Holding Company and its Subsidiary Companies, which are companies incorporated in India, does not have an adequate internal financial control system commensurate with the size of group and nature of its business.

FOR KAPIL KUMAR & CO

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO: 006241N

MOHIT KAKKAR

(PARTNER)

MEMBERSHIP NUMBER: 538844

UDIN: 24538844BKBNAY9409

29th MAY, 2024

New Delhi

SAMTEX FASHIONS LIMITED
Cash flow statement for the year ended 31st March 2024

(In lacs)

Particulars	Year ended	Year ended
	March 31, 2024	March 31, 2023
A. Cash flow from operating activities		
Profit for the year	(476.73)	(557.93)
Adjustments for:		
Income tax expense	-	-
Amounts Charged directly to Other Comprehensive Income	8.08	28.86
Depreciation and amortisation	435.07	523.69
Loss/(Gain) on disposal of property, plant and equipment		
Interest income recognised in profit or loss	(4.01)	(2.63)
Finance cost recognised in profit or loss	0.12	0.08
Capital Investment Subsidy		
Net unrealised exchange (Gain)/Loss		-
Net (gain)/loss recognised for derivatives		-
Movements in working capital:		
(Increase) /decrease in trade and other receivables	23.80	2.94
(Increase) /decrease in other financial assets	0.17	(0.72)
(Increase) /decrease in other current assets	2.94	(2.95)
(Increase) /decrease in other non-current assets		
(Increase) /decrease in inventories		
Increase/ (decrease) in trade payables	1.92	(2.25)
Increase/ (decrease) in current tax asset/liabilities		
Increase/ (decrease) in provisions		
Increase/ (decrease) in other current liabilities	(0.19)	0
Increase/ (decrease) in other financial liabilities		
Cash generated from operations	(8.82)	(11)
Income taxes paid (net of refund, if any)	-	(0.24)
Net cash generated from operations	(8.82)	(11)
B. Cash flow from investing activities		
Payments for property, plant and equipment		
Proceeds from disposal of property, plant and equipment		
Interest received	4.01	2.63
(Increase) /decrease in other bank balances	(1.32)	(0)
Net cash generated from / (used in) investing activities	2.69	2.38
C. Cash flow from financing activities		
Net Increase / (Decrease) in long term borrowing	9.00	11.00
Net Increase / (Decrease) in short term borrowing	(2.31)	(1.37)
Interest Paid	(0.12)	(0.08)
Net cash used in financing activities	6.57	9.56
Net change in cash and cash equivalents	0.44	1.03
Cash and cash equivalents as at the beginning of the Year	58.79	57.76
Cash and cash equivalents as at the end of the Year	59.24	58.79
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents [Refer Note 10]	59.24	58.79
<p>In terms of our report attached.</p> <p>For KAPIL KUMAR & CO Chartered Accountants FRN NO 006241N</p> <p>(MOHIT KAKKAR) Partner UDIN: 24538844BKBNAY9409 Place : NEW DELHI Date: 29-05-2024</p> <p>For and on behalf of the Board of Directors SAMTEX FASHIONS LTD</p> <p>ATUL MITTAL SURENDRA KUMAR GUPTA (Managing Director & CFO) (Director) DIN NO-00223366 (DIN: 00223035)</p>		

SAMTEX FASHIONS LIMITED
Consolidated Balance Sheet as at March 31, 2024

CIN:-U15122DL1995PLC068186

(In lacs)

Particulars		Note No.	As at March 31, 2024	As at March 31, 2023
A	ASSETS			
1	Non-current assets			
	(a) Property, plant and equipment	1	6,083.32	6,518.40
	(b) Capital work-in-progress		170.34	170.34
	(c) Intangible assets	2	0.59	0.59
	(d) Financial assets			
	(i) Investments			
	(ii) Trade Receivables	3	28,479.09	28,502.89
	(iii) Other financial assets	3	366.42	366.42
	(e) Deferred tax assets (net)		92.53	92.53
	(f) Other non-current assets	4	216.85	216.85
	Total Non - Current Assets		35,409.14	35,868.01
2	Current assets			
	(a) Inventories	17	25.32	25.32
	(b) Financial assets			
	(i) Trade receivables	5	-	-
	(ii) Cash and cash equivalents	6	59.24	58.79
	(iii) Bank balances other than (ii) above	6	39.88	38.56
	(iv) Other financial assets	3	4.20	4.37
	(c) Current Tax Assets (Net)		60.08	59.73
	(d) Other current assets	4	279.55	282.84
	Total Current Assets		468.27	469.61
	Total Assets (1+2)		35,877.41	36,337.63
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity share capital	7	1,491.80	1,491.80
	(b) Other equity	8	(25,427.49)	(24,958.84)
	Total equity		(23,935.69)	(23,467.04)
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	9	675.56	666.56
	(b) Provisions	10	15.84	15.84
	(c) Deffered tax Liabilities			
	Total Non - Current Liabilities		691.40	682.40
3	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	11	55,610.86	55,613.17
	(ii) Trade payables	13	839.09	837.16
	(iii) Other financial liabilities		2,633.45	2,633.45
	(b) Provisions	10	-	-
	(c) Current Tax Liabilities (Net)		38.31	38.50
	(d) Other current liabilities	14		
	Total Current Liabilities		59,121.70	59,122.27
	Total Equity and Liabilities (1+2+3)		35,877.41	36,337.63

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For KAPIL KUMAR & CO

Chartered Accountants

FRN NO-006241N

For and on behalf of the Board of Directors

SAMTEX FASHIONS LTD

ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

SURENDRA KUMAR GUPTA
(Director)
(DIN: 00223035)

(MOHIT KAKKAR)
Partner

Place : NEW DELHI

Date: 29-05-2024

UDIN: 24538844BKBWAY9409

SAMTEX FASHIONS LIMITED

Statement of Consolidated Profit and Loss for the year ended March 31, 2024

(In lacs)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
I Revenue from operations	15		
II Other Income	16	4.01	2.63
III Total Revenue (I + II)		4.01	2.63
IV EXPENSES			
(a) Cost of materials consumed	17		
(b) Purchase of Stock-in-Trade			
(c) Changes in stock of finished goods and work-in-progress	18		
(d) Employee benefit expense	19	9.14	12.28
(e) Finance costs	20	0.12	0.07
(f) Depreciation and amortisation expense	21	435.07	523.69
(g) Other expenses	22	36.41	24.51
Total Expenses (V)		480.74	560.56
VI Profit/(loss) before prior period items (I- IV)		(476.73)	(557.92)
Prior Period Item Expenses			
VI Profit/(loss) before exceptional items and tax (I- IV)		(476.73)	(557.92)
VII Profit/(loss) before tax (V - III)		(476.73)	(557.92)
VIII Tax Expense			
(1) Current tax			
(2) Deferred tax			
Total tax expense		-	-
IX Profit/(loss) for the year (VI - VII)		(476.73)	(557.92)
X Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss		8.08	28.86
		8.08	28.86
X Total comprehensive income/(loss) for the year (VIII + IX)		(468.65)	(529.07)
XII Earnings per equity share (of Rs 2 each):		-0.63	-0.71
(1) Basic		-0.63	-0.71
(2) Diluted			

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For KAPIL KUMAR & CO
Chartered Accountants
FRN NO-006241N

(MOHIT KAKKAR)
Partner

ATUL MITTAL
(Managing Director & CFO)
DIN NO-0022336

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

SURENDRA KUMAR GUPTA
(Director)
(DIN: 00223035)

Place : NEW DELHI
Date: 29-05-2024
UDIN: 24538844BKBNAY9409

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note No. 1 - Property, plant and equipment

(In lacs)

Description of Assets	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Building	Electrical Fittings	Mobiles	Housing Project	Land (freehold)	Land (Leasehold)	Roads	Total
Cost or deemed cost												
Deletions during the year												
Balance as at March 31 2022	8,286	34	125	29	2,846	69	3	121	99	266	404	12,283
Additions during the year												
Deletions during the year												
Balance as at March 31 2023	8,286	34	125	29	2,846	69	3	121	99	266	404	12,283.19
Additions during the year												
Deletions during the year												
Balance as at March 31 2024	8,286	34	125	29	2,846	69	3	121	99	266	404	12,283
Accumulated Depreciation and impairment												
Balance as at March 31 2022	3,984	27	103	16	745	-	3	-	-	68	295	5,241
Depreciation / amortisation expense	351	3	6	0	153	-	-	-	-	11	-	524
Eliminated on disposal of assets												
Balance as at March 31 2023	4,335	30	109	17	898	-	3	-	-	79	295	5,765
Depreciation / amortisation expense	297	1	5	0	122	-	-	-	-	11	-	435
Eliminated on disposal of assets												
Balance as at March 31 2024	4,632	31	113	17	1,020	-	3	-	11	79	295	6,200
Net Carrying Amount												
Balance as at March 31 2023	3,951	4	16	13	1,948	69	0	121	99	187	109	6,518
Balance as at March 31 2024	3,654	3	11	13	1,825	69	0	121	88	187	109	6,083

The Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Description of Assets	Computer Software
Gross Carrying Amount	
Balance as at March 31 2022	11.79
Additions	-
Disposals	-
Balance as at March 31 2023	11.79
Additions	-
Disposals	-
Balance as at March 31 2024	11.79
Accumulated Depreciation and impairment	
Balance as at March 31 2022	11.21
Depreciation / amortisation expense	
Eliminated on disposal of assets	
Balance as at March 31 2023	11.21
Depreciation / amortisation expense	
Eliminated on disposal of assets	
Balance as at March 31 2024	11.21
Net Carrying amount	
Balance as at March 31 2023	0.59
Balance as at March 31 2024	0.59

SAMTEX FASHIONS LIMITED
Statement of changes in equity for the year ended 31 March 2024
Note 8

	Equity Share Capital	Share warrant		
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2022	745	1,490	1	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2023	745	1,490	1	1.80
Change in equity share capital during the year	-	-	-	-
Balance as at March 31, 2024	745	1,490	1	1.80

Note 8	Capital Reserves	Security Premium	Reserves & Surplus	Total
b. Other equity				
Balance as at March 31, 2022	10	1,140	(25,580)	(24,430)
(a) Loss for the year			(557.92)	(558)
(b) Adjustment of taxes				
(c) Other Comprehensive Income of the year, net of income tax - Remeasurement of the defined benefit plans			28.86	29
Total comprehensive income/(loss) for the year			(529.07)	(529)
Balance as at March 31, 2023	10	1,140	(26,109)	(24,959)
(a) Loss for the year			(468.65)	(468.65)
(b) Adjustment of taxes				
(c) Other Comprehensive Income of the year, net of income tax - Remeasurement of the defined benefit plans				
Total comprehensive income/(loss) for the year				
Balance as at March 31, 2024	10	1,140	(26,577)	(25,427)

See accompanying notes to the Ind AS financial statements

In terms of our report attached.

For KAPIL KUMAR & CO
Chartered Accountants
FRN NO-006241N

For and on behalf of the Board of Directors
SAMTEX FASHIONS LTD

ATUL MITTAL
(Managing Director & CFO)
DIN NO-00223366

SURENDRA KUMAR GUPTA
(Director)
(DIN: 00223035)

(MOHIT KAKKAR)
Partner
UDIN : 235388BGVQV2777

Place : DELHI
Date: 29-05-2023

Note No. 3 - Other financial assets [unsecured and considered good, unless otherwise stated]

(In lakhs)

Particulars							As at March 31, 2024	As at March 31, 2023
Non-current								
Financial assets at amortised cost								
Investments								
Unquoted Equity Investments								
Investment in Subsidiary								
b) Investment in Express warehousing Ltd							300.00	300.00
c) Investment in Yogendra Worsted Limited 6,00,000 Equity Shares (Previous year 600,000) of Rs 10/- Each Fully Paid-up.								
Total							300.00	300.00
Less: Impairment in Value of Investments Express Warehousing Ltd Yogendra Worsted Limited							300.00	300.00
Net Value of Investments							-	-
Trade Receivable								
a) Unsecured, considered good							28,780.02	28,803.82
Less: provision for bad debts							(300.94)	(300.94)
Net Trade Receivable							28,479.09	28,502.89
Trade Receivable as at								
	LESS THAN 6 MONTHS	6 MONTHS-1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	TOTAL		
31-03-2024			5.30		28,473.79	28,479.09		
31-03-2023		29.10			28,473.79	28,502.89		
Loans								
a) Security Deposits							366.42	366.42
TOTAL [I]							28,845.50	28,869.30
Current								
Financial assets at amortised cost								
a) Interest accrued on bank deposits							4.20	4.37
b) Employee Advances								-
c) Interest accrued on bank deposits								
d) Receivables on sale of fixed assets								
e) Insurance claim receivable								
TOTAL [II]							4.20	4.37
TOTAL [I + II]							28,849.70	28,873.67
Note No.4- Other assets [unsecured and good, unless otherwise stated]								
Particulars							As at March 31, 2024	As at March 31, 2023
Non Current								
(a) Capital advances							98	98
(b) Duty paid under protest							118.68	118.68
Total [I]							217	217
Current								
(a) Prepaid expenses							0	0
(b) Other advances							228.74	229
(c) Balance with Government authorities							50.77	54
Total [II]							279.53	283
TOTAL [I+II]							496.40	499.69

SAMTEX FASHIONS LIMITED
Notes to financial statements for the year ended March 31, 2024

Note No. 5 - Trade receivables

(In lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
(a) Unsecured, considered good		
Less: Allowance for doubtful debts		
TOTAL		

Note - 6 Cash and bank balances

Particulars	As at March 31, 2024	As at March 31, 2023
1. Cash and cash equivalents:		
a) Cash on hand	1.69	1.68
b) Balance with banks		
(i) In current accounts	56.82	56.41
(ii) In other deposit accounts	0.73	0.70
Total-Cash and cash equivalents [A]	59	59
2. Other bank balances		
a) Balance with banks		
(i) In other deposit accounts- Lien Marked (maturity in excess of 3 Months within 12 months)		
(ii) In other deposit accounts (maturity in excess of 3 Months within 12 months)	39.88	38.56
Total-Other bank balances [B]	39.88	38.56
TOTAL [A+B]	99.12	97.35

SAMTEX FASHIONS LIMITED**Statement of changes in equity for the year ended 31 March 2024****Note No.7 - Share Capital****(In lakhs)**

Particulars	As at March 31, 2024		As at March 31, 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
<u>AUTHORIZED SHARES</u>				
Equity Shares of Rs 2/- Each	800.00	1,600.00	800.00	1,600.00
ISSUED,SUBSCRIBED AND PAID UP SHARES				
Equity Shares of Rs 2/- Each Fully Paid Up	745.00	1,490.00	745.00	1,490.00
FORFEITED SHARES				
Amount Originally Paid up on 1,00,000 Zero Coupon Warrant @ 1.80 per Warrant	1.00	1.80	1.00	1.80
TOTAL	746.00	1,491.80	746.00	1,491.80

(a) Reconciliation of Shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at 31st March 2023	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
<u>EQUITY SHARES</u>				
At the beginning of the year	746.00	1,491.80	746.00	1,491.80
Issued during the year as fully paid up	-	-	-	-
Outstanding at the end of the year	746.00	1,491.80	746.00	1,491.80

(b) The Company has only one class of equity shares having a par value of ` 2/- per share. The equity shareholders of the Company have voting rights and are subject to the preferential rights as prescribed under law , if any. The equity shares are also subject to restriction as prescribed under the Companies Act, 2013. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

During the year ended 31st March 2024, no dividend is declared by Board of Directors. (Previous year - Nil)

(c) Shares held by Holding / Ultimate holding company and/or their subsidiaries/associates: Nil (Previous year -Nil)

SAMTEX FASHIONS LIMITED
Notes to financial statements for the year ended March 31, 2024

Note - 9: Non Current Borrowings

(In lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings - at amortised Cost		
(i) Term Loan from Banks	2,633	2,633
(II) Vehicle Loans from banks		
Less: Term Loans recalled by banks (reflected as other current financial liabilities)	(2,633)	(2,633)
i) Unsecured borrowings from directors, promoters, shareholders , related parties and others	675.56	666.56
Total Borrowings carried at Amortised Cost	675.56	666.56

(i) Details of terms of repayment and security provided in respect of the long-term borrowings:

(a) Term Loan from Banks

Nature of Security	Terms of repayment
Term loan of Rs.700 Lacs (year end balance Rs. 194.97 lacs) from IDBI Bank Ltd. is secured by first charge on the fixed assets (solvent plant) of the company at Samalkha Unit and further guaranteed by irrevocable and unconditional personal guarantee of Rita Mittal and Naveen Mittal (CMD) & corporate guarantee of Samtex fashions Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.35 Lacs from 01.04.2013 to 01.01.2018. Interest will be payable at BBR plus 350 BPS monthly
Term loan of Rs.750 Lacs (year end balance Rs. 164.02 lacs) from State Bank of India is secured by exclusive charge over assets created for the Co-generation Power Plant at Samalkha and second charge over current assets, both present & future, of the company. Extension of second charge over fixed assets of the company (excluding fixed assets at mandideep industrial area, M.P & assets created for co-generation power Plant at samalkha). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal (CMD) and corporate guarantee of Samtex Fashions Limited, Empire Finvest Limited, Gartex Overseas Private Limited and SSR Apparel Private Limited.	The principle amount is repayable in 23 equal quarterly instalments of Rs.31 Lacs and last quarterly instalment of Rs.37 Lacs from 01.04.2013 to 31.03.2019. Interest will be payable 4.00% above base rate at Monthly rests.
Term loan of Rs.780 Lacs(year end balance Rs.350.02 lacs) from State Bank of India is secured by exclusive charge over entire fixed assets created at Rice Mill-2 at Mandideep Plant. Further guaranteed by personal guarantee of Rita Mittal, Vinay Mittal and Naveen Mittal(CMD) and corporate guarantee by Samtex Fashions Ltd.,Empire Finvest Pvt. Ltd.,Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.	The principle amount is repayable in 20 equal quarterly instalments of Rs.39 lacs each beginning from 31.12.2013 to 30.09.2018
Term loan of Rs.480 Lacs(year end balance Rs.210.86 lacs) from State Bank of Travancore is secured by exclusive charge on fixed assets of the proposed solvent extraction plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal (CMD) and corporate guarantee by Samtex Fashions Ltd.	The principle amount is repayable in 25 equal quarterly instalments of Rs.19.20 lacs each beginning from 01.04.2013 to 30.06.2019
Term loan of Rs.2375 Lacs(year end balance Rs. 1713.57 lacs) from IDBI Bank Ltd. is secured by exclusive charge on fixed assets of the proposed Soya Extraction Plant at Mandideep(excluding land). Further guaranteed by personal guarantee of Rita Mittal and Naveen Mittal(CMD) and corporate guarantee by Samtex Fashions Ltd.	The principle amount is repayable in 24 equal quarterly instalments of Rs.98.96 lacs each beginning from 01.10.2014 to 01.07.2020
HDFC Bank Ltd.Car Loan of Rs.3,30,000 (year end balance is . NIL) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.10,602 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
HDFC Bank Ltd.Car Loan of Rs.3,70,000 (year end balance is NIL) is secured by hypothecation of Maruti Celerio Car and personal guarantee of directors.	Repayable in 36 equated monthly instalments of Rs.11,887 including interest(@ 9.70 % p.a)from the date of loan (30/10/2015)
Kotak Mahindra Prime Ltd. Audi Car Loan of Rs.40,80,000 (year end balance is Rs. NIL) is secured by hypothecation of Audi Car and personal guarantee of directors.	Repayable in 60 equated monthly instalments of Rs.84,008 including interest(@ 8.90 % p.a)from the date of loan (26/12/2015)

The Compy had defaulted in repayment of loans which remained outstanding are as follows:

Particular	Amount of default as on 31st march 2024 of principal amount (in lacs)	Total (in lacs)
Term Loan from IDBI Bank	175	195
Term Loan from State Bank of India	164	164
Term Loan from State Bank of India	350	350
Term Loan from State Bank of India (State Bank of Travancore)	211	211
Term Loan from IDBI Bank	1567	1714
Totals	2467	2634

Note - 10: Provisions [Current and Non-current]

Particulars	As at March 31, 2024	As at March 31, 2023
Non Current		
(a) Provision for employee benefits		
a. Provision for leave encashment	10,69,579	10,69,579
b. Provision for gratuity	5,13,942	5,13,942
Total [I]	15,83,521	15,83,521
Current		
(a) Provision for employee benefits		
a. Provision for leave encashment		
b. Provision for gratuity		
c. Bonus		
(b) Other Provisions		
Total [II]	15.84	15.84
Total Provisions [I+II]		

Note - 11: Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Measured at amortised cost		
Loans Repayable on demand		
(i) Buyer Credit Loan		
(ii) Working Capital Facility		
(a) EPC Account	421	421
(b) CC Account	55,190	55,192
Total Borrowings carried at Amortised Cost	55,611	55,613

(A) Details of security and Guarantee for working capital finance:-

The working capital facilities are secured by 1st charge on current assets (both present and future) of the company to be shared on pari-passu basis with other banks in the consortium.

Second pari-passu charge over fixed assets of the company. E.M. of residential property bearing No. D-78 Pushpanjali, pitampura measuring 212.75 sq mtr in the name of Rita Mittal and Naveen Mittal (CMD). E.M property consisting of freehold land 7018 Sq Yd, Khasra No 615/10 Samalkha belonging to Gartex Overseas (P) Ltd. E.M. property consisting of free hold land, 165/1 and 165/2/1 at samalkha belonging to SSR apparelers (P) Ltd. Negative lien on property at 12th floor, Big Jo's Estate, Plot A/08 NSP Pitampura in the name of Empire Finvest (P) Ltd.

Further guaranteed by personal guarantee of Rita Mittal , Naveen Mittal (CMD) and Vinay Mittal (Promoter) and corporate guarantee of Samtex Fashions Limited, Empire Finvest Limited, Gartex Overseas Pvt. Ltd. and SSR Apparel Pvt. Ltd.

The Compy had defaulted in repayment of loans which remained outstanding are as follows

Particular	Amount of default as on 31st march 2024		Total outstanding
	of principal amount	of interest accrued	
Working Capital from Canara Bank	(in lacs)	(in lacs)	(in lacs)
Working Capital from IDBI Bank	12830	1796	14626
Working Capital from SBI Bank	4280	593	4873
Total	34000	2125	36125
(B)	5110	4514	55624

Particulars	As at March 31, 2024	As at March 31, 2023
Working Capital Finance	55,611	55,613
Total	55,611	55,613

Note - 12: Trade Payables

(In lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables	839.09	837.16
Total	839.09	837.16

Trade payables as on	Less than 1 year	1-2 years	2-3 years	more than 3 years	TOTAL
31-03-2024	1.92	3.17	7.68	826.32	839.09
31-03-2023	3.17	7.68	7.05	819.27	837.16

Note No. 13- Other Financial Liabilities [Measured at Amortised Cost]

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
a) Long term loans recalled by banks	2,633	2,633
b) Current Maturity of Long Term borrowings		
c) Interest Payable to banks		
Total other financial liabilities	2,633	2,633

Note - 14: Other Liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current		
a) Statutory dues payable	37	37
b) Other Payables	0.95	1.1215568
Total other liabilities	38.31	38.50

SAMTEX FASHIONS LIMITED
Notes to the financial statements for the year ended March 31, 2024

Note - 15: Revenue from operations

(In lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Rs)	(Rs)
(a) Sale of products		-
(b) Other operating income -Job Work		
Total Revenue from operations		-

Note - 16: Other Income

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Rs)	(Rs)
(a) Interest income	4.01	2.63
(b) Other non-operating income		
Total other income	4.01	2.63

Note - 17: - Cost of material consumed

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Rs)	(Rs)
Raw Materials (A)		
Opening stock	25.32	25.32
Add: Purchases		
Less: Closing stock	25.32	25.32
Consumption of Raw Material		
Total cost of material consumed	-	-

Note - 18: - Changes In Inventories of Stock-In-Trade

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
	(Rs)	(Rs)
Finished Goods		
At The Beginning Of The Accounting Period		
At The End Of The Accounting Period		

SAMTEX FASHIONS LIMITED

Notes to the financial statements for the year ended March 31, 2024

(In lakhs)

Note - 19: Employee benefit expenses

Particulars	Year ended 31 March ,2024	Year ended 31 March ,2023
Salaries and wages	9.14	12.27
Contributions to provident fund		0.01
Contributions to employee state insurance		
Others		
Total Employee benefit expenses	9.14	12.28

Note - 20: Finance cost

Particulars	Year ended 31 March ,2024	Year ended 31 March ,2023
Interest On Working Capital Limits		
Interest On Term Loans		
Interest (Others)		
Bank Charges	0.12	0.07
Total Finance cost	0.12	0.07

Note - 21: Depreciation and amortisation expense

Particulars	Year ended 31 March ,2024	Year ended 31 March ,2023
Depreciation on Tangible Assets	435.07	523.69
Total Depreciation	435	524

Note - 22: Other expenses

Particulars	Year ended 31 March ,2024	Year ended 31 March ,2023
Power & fuel		
Insurance Expenses	0.09	0.07
Books & Periodicals		
Telephone, Fax & Communication Expenses	0.08	0.18
Fees, Rates & Taxes	5.70	5.13
Rent/Lease Rent	12.02	11.36
General Expenses	1.36	0.46
GST expenses	7.91	
Interest on TDS		0.09
Advertisement Expense	0.55	0.54
Postage & Courier Charges	0.05	0.00
Printing & Stationery		
Vehicle Maintenance		
Payment To Auditors	1.3	2.3
Legal & Professional Charges	7.12	4.16
Electricity Expenses	0.23	0.22
Travelling Expenses		
ITC Disallowed		
TOTAL	36	25

Categories of Financial Instruments

(In lakhs)

Note 23	Financial assets	As at 31-03-24 Amount (Rs.)	As at 31-03-23 Amount (Rs.)
	Measured at Amortised cost		
a)	Investments		
b)	Trade Receivables	28,479.09	28,502.89
c)	Loans	366.42	366.42
d)	Cash & Cash Equivalents	59.24	58.79
e)	Other bank balances	39.88	38.56
f)	other financial assets		
	Total Financial assets	28,945	28,967
	Financial liabilities		
	Measured at Amortised cost		
a)	Borrowings	55,610.86	55,613.17
b)	Trade payables	839.09	837.16
c)	Other financial liabilities	2,633.45	2,633.45
	Designated as at FVTPL		
a)	Swap derivative		
	Total Financial liabilities	59,083	59,084
	Financial Assets		
	Fair Value		
	Investment		
Note 24 Contingent Liabilities			
a)	Particulars	As at 31-03-2024 Amount (Rs.)	As at 31-03-2023 Amount (Rs.)
	Bank Guarantees issued & outstanding	60.02	60.02
	Entry Tax	41.57	41.57
	Income Tax Penalty A.Y 2010-11	210.00	210
	Income Tax A.Y 2011-12	7.45	7.45
	Income Tax A.Y 2011-12	8.80	8.80
	Income tax A.Y 2016-17	584.19	584.19
	Income Tax A.Y 2012-13 (Penalty)	1.49	1.49
	Income Tax AY 2015-16	174.87	174.87
<p>The Company had filed litigations with the Customs, Excise, Service Tax Appellate Tribunal and had already deposited duties under protest, where as the litigations have been decided in the favour of the company and refund of the duties already deposited are being filed and received in the due course.</p>			
b)	Commitments:		
	Particulars	As at 31-03-24 Amount (Rs.)	As at 31-03-23 Amount (Rs.)
	Estimated amount of unexecuted Capital Contracts* (net of advances & deposits)	227	227
<p>*Company has booked a house at Noor us Sabah Residency , at Bhopal , cost of the house is Rs. 301,24,400, which is payable as per construction link plan.</p>			

NOTE 25 : Other Notes

(i) The Company has not received information from vendors regarding their status and status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence necessary disclosures under this Act have not been given.

(ii) The Company has regrouped/ reclassified the previous year figures to make them comparable with current year figures.

(iii) Confirmation of balances of trade debtors, loans and advances, trade payables, security deposits, balances with government authorities have not been provided to us, we are unable to comment on the possible impact, if any, arising out of the said matters.

(iv) Investment of Rs 300 Lakh in Express Warehousing Limited for which provision for diminuation in value of Investment has been booked during the year and in earlier year, as the company has incurred heavy losses .

(v) The accounts of the holding company has been declared Non Performing Assets (NPAs) by the banks as the holding company had defaulted in repayment obligations of interest and principal due to consortium bankers during the earlier years. The holding company has also received the notices under the SARFAESI Act, 2002 from consortium of banks.

(vi) The management of Holding Company has confirmed that it has come to their knowledge through newspaper advertisement that the consortium member banks have executed auction of its assets at Samalkha plant. However, in absence of any information regarding the sale of assets i.e. detail of assets sold by bank, value at which the said sale transaction has been undertaken, bank wise utilization of amount received against said sale, the holding company has not taken into consideration the said transaction while preparing its financial statements as on 31.03.2023 . Further the management has confirmed that the consortium bankers have executed sale of assets of directors/ guarantors mortgaged with them during the year as well as earlier years and adjusted the amount received on said auction sale with amount owed by the holding company to the financial institutions, however the holding company has not recorded the effect of such transaction in its financial statements.

Note 26 - EARNINGS PER EQUITY SHARE

Particulars	As at 31.03.2024	As at 31.03.2023
	Amount	Amount
Earnings Per Equity Share:		
Net Profit after tax	-468.65	-529.07
Equity Shares outstanding	745.00	745.00
Weighted Average Equity Shares	745.00	745.00
Nominal Value of Equity Share	2.00	2.00
Basic Earnings per Share	-0.63	-0.71
Diluted Earnings per Share	-0.63	-0.71

SAMTEX FASHIONS LTD
Note 27: RELATED PARTY TRANSACTIONS FROM 1.04.2023 TO 31.03.2024

I. Related Parties with Whom Transactions have been Taken Place and Relationships.

Name of Related Parties	Relationship
Gartex Overseas Pvt Ltd	Key personnels are related to management of related party
SSR Apparels Pvt Ltd	Key personnels are related to management of related party
Express Warehousing LTD	Key personnels are related to management of related party
Bloomingdale Vendors Pvt Ltd	Key personnels are related to management of related party
Atul Mittal	Director
RAMAN OHRI	Independent Director
SURENDRA KUMAR GUPTA	Independent Director

II. Related Parties with Whom Transactions have been Taken Place and Nature of Transactions

	As as 31.03.2024	As at 31.03.2023
Transactions with Gartex Overseas Pvt Ltd		
Lease Rent		
Opening Balance	0.45	0.45
Paid during the year		
Payable for the year		
Closing balance	0.45	0.45
Transactions with SSR Apparels Pvt Ltd		
Lease Rent		
Opening Balance	0.15	0.15
Paid during the year		
Payable for the year		
Closing balance	0.15	0.15
Transactions with Express Warehousing Ltd		
Rent Expenses Payable		
Opening Balance	1.02	1.02
Paid during the year		
Receipt during the year		
Payable for the year		
Closing balance	1.02	1.02
Security Deposits		
Opening Balance	325.00	325.00
Net security paid during the year		
Closing balance	325.00	325.00
Investment		
Opening Balance	300	300.00
Investment made during the year		
Impairment in value	-300	-300.00
Closing balance	-	-
Transactions with Atul Mittal		
Borrowings		
Opening Balance	284.80	284.80
Amount Received during the year		
Amount Paid during the year		
Closing Balance	284.80	284.80
Transactions with Bloomingdale Vendors Pvt Ltd		
Receivables		
Opening Balance	0.18	3.27
Amount Received during the year		3.09
Amount Paid during the year		
Expenses directly incurred		
Closing Balance		0.18
Loan & Advances		
Opening Balance		
Amount paid During the Year		
Amount Received during the year		
Expenses paid directly		
Closing Balance		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

The group includes the following entities:

- i. M/s SSA International Ltd (along with its wholly owned subsidiary M/s Lina Global INC).
- ii. M/s Arlin Foods Ltd

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods presented in the financial statements.

These financial statements were approved for issue by the Board of Directors on 29th May 2024.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest Lac (INR 00,000), except when otherwise indicated.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i) Certain financial assets and financial liabilities measured at fair values (as required by the relevant Ind AS)
- ii) Defined benefit and other long term employee benefits have been measured at actuarial valuation as required by relevant Ind As.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into



account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

c) Property, Plant and Equipment (PPE)

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Items of Property, plant and equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss. Losses arising from the retirement of, and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss.

IndAS 101 permits a first time adopter to elect to continue with the carrying value of all of its property, plant and equipment as recognized in the financial statements as at the date of transition of IndAS, measured as per previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommission liabilities, if any. This exemption can also be used for intangible assets covered by IndAS 28 Intangible asset. The Company has elected to measure all of its property, plant and equipment's and intangible assets at their previous GAAP carrying value.

d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight line method over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from



the asset by the Company. Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month of deduction/disposal.

S no	Asset Classification	Useful Life
1	Factory Building	30 Years
2	Furniture & Fixture	10 Years
3	Office Equipment	5 Years
4	Vehicles	3 Years
5	Mobile	3 Years
6	Electrical Fittings	10 Years
7	Plant	15 Years

e) Impairment of Tangible and Intangible Assets

No business activity has been carried on by the group during the year and production facilities has not been used for a long period of time The group is required to determine impairment in respect of fixed assets, However the group has not done impairment testing.

f) Inventories:

Inventories are valued as follows:

Raw materials, stores& accessories are valued at lower of cost and net realizable value (NRV). However, these items are considered to be realizable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on FIFO basis. The cost of inventory comprises its purchase price, including non-refundable purchase taxes, and any directly attributable costs related to the inventories.

Finished goods, stock-in-trade are valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion. Cost of inventories is computed on FIFO basis.

g) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the



asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

h) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed 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.

Contingent assets are not recognized in financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognized.

i) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty/GST.

Revenue from sales is recognized when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Export benefits are accounted on recognition of export sales.



i) Employee benefits:

The company has not undertaken any business activity during the year and moreover majority of the employees of the company left the company and their dues are settled full and final over the period of time. Considering this fact, the company has not followed the treatment for recognition and remeasurement of employee benefit costs as detailed in the Ind AS 19.

However, till last year for defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognized in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. The defined benefit obligation recognized in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Scheme as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Liabilities for wages, salaries and bonus (as per the payment of bonus Act, 1965) including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees and workmen render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled.



The Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The company's liability is actuarially determined. Actuarial losses/gains are recognized in the Statement of Profit and Loss in the year in which they arise.

k) Income Tax:

Income Tax expenses comprise current tax and deferred tax charge or credit. Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws. Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the Statement Profit and Loss. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable. Deferred tax asset if any is created on the temporary difference attributable to Property and Equipments and expense allowable on actual payment basis and in case of accumulated losses and unabsorbed depreciation deferred tax asset is only created to the extent of deferred tax liability, considering the certainty of future profits.

l) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and he weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**m) Foreign Currency Transactions:**

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income. The Company has applied paragraph 46A of AS 11 under Indian GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period.

n) Segment reporting

The Company has two reportable segments based on geographic locations India & New York. Segments have been identified as reportable segments by the Company's chief operating decision maker ("CODM"). Segment profit amounts are evaluated regularly by the Board, which has been identified as the CODM, in deciding how to allocate resources and in assessing performance. Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated corporate assets and liabilities respectively.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Segment profit (Earnings before interest, depreciation and amortization, and tax) amounts are evaluated regularly by the Board that has been identified as its CODM in deciding how to allocate resources and in assessing performance. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties. However, during the current year the reportable segment did not exceed the quantitative threshold limits as per the applicable accounting standard.



o) Financial Instruments:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments Initial Recognition. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met

- the financial asset is held within a business model whose objective is to hold financial 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

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal



Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI. All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL: Gains or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period.

Trade receivables which are long overdue and not provided for allowance for expected credit loss have not been recognized on these financial assets during the year. The company has neither carried out impairment exercises of Trade Receivables nor provided for the same and recognized the same as non-current assets since long outstanding.

Derecognition of financial assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received. On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the



cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

p) Financial Instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognized at the proceeds received.

q) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank, Cheques and Cash in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

r) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

For KAPIL KUMAR & CO.

CHARTERED ACCOUNTANTS

MOHIT KAKKAR (PARTNER)

MNO. 538844

UDIN: 24538844BKBNAY9409

DATE: 29th May, 2024

PLACE: NEW DELHI