



Shree Rajasthan Syntex Ltd.



42nd ANNUAL
REPORT
2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vikas Ladia (DIN: 00256289)
Managing Director & Chief Executive Officer
 Mr. Anubhav Ladia (DIN: 00168312)
Whole Time Director
 Mr. Narendra Nath Agrawala (DIN: 00168211)
Independent Director
 Mrs. Manju Datta (DIN: 09010395)
Independent Director
 Mr. Sandeep Kumar Jain (DIN: 01116047)
Independent Director (with effect from August 12, 2021)
 Mr. Vinod Kumar Ladia (DIN: 00168257)
Chairman & Whole Time Director
(Ceased with effect from August 10, 2021)
 Mr. Mohan Lal Sharma
Independent Director
(Ceased with effect from August 13, 2021)

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Prinkle Talesara
(with effect from April 23, 2021)

CHIEF FINANCIAL OFFICER

Mr. Prahlad Bilochi

STOCK EXCHANGE WHERE COMPANY'S SECURITIES IS LISTED

BSE Limited

REGISTERED & HEAD OFFICE

27-A, First Floor, Meera Nagar, Housing Board Colony,
 Udaipur -313001 (Rajasthan)

WEBSITE

www.srsl.in

CORPORATE IDENTITY NUMBER (CIN)

L24302RJ1979PLC001948

BANKERS

- IDBI Bank Ltd.
- State Bank of India
- Bank of Baroda

REGISTRAR & SHARE TRANSFER AGENT (RTA)

M/s. Mas Services Ltd.
 T-34, 2nd Floor, Okhla Industrial Area,
 Phase II, New Delhi- 110020

STATUTORY AUDITORS

M/s. Doogar & Associates, Chartered Accountants,
 New Delhi

SECRETARIAL AUDITORS

M/s. V. M. & Associates, Company Secretaries, Jaipur

COST AUDITORS

M/s. K.G. Goyal & Co., Cost Accountants, Jaipur

INTERNAL AUDITORS

M/s. K.G. Bhatia & Co., Chartered Accountants,
 Udaipur

BOARD COMMITTEES

Audit Committee

Mr. Narendra Nath Agrawala (Chairman)
 Mrs. Manju Datta
 Mr. Vikas Ladia

Nomination & Remuneration Committee

Mr. Narendra Nath Agrawala (Chairman)
 Mrs. Manju Datta
 Mr. Sandeep Kumar Jain

Stakeholders' Relationship Committee

Mr. Narendra Nath Agrawala (Chairman)
 Mr. Anubhav Ladia
 Mr. Vikas Ladia

Sub Committee

Mr. Anubhav Ladia
 Mr. Narendra Nath Agrawala
 Mr. Vikas Ladia

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NOTICE

NOTICE is hereby given that the **42nd(Forty-Second)** Annual General Meeting (“AGM / Meeting”) of the Members of **Shree Rajasthan Syntex Ltd.** will be held on **9th September, 2022 (Friday) at 12.30 P.M. IST** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

Item No. 1 - Adoption of Audited Financial Statements

To adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 together with the reports of the Board of Directors and Auditors thereon.

Item No. 2 - Appointment of Director Liable To Retire By Rotation

To appoint a Director in place of Mr. Vikas Ladia (DIN: 00256289), who retires by rotation and, being eligible, seeks re-appointment.

Item No. 3 - Re-appointment of Statutory Auditors

To re-appoint Statutory Auditors of the Company, and to fix their remuneration and to consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification (s), amendment (s) thereto or re-enactment (s) thereof for the time being in force), and on the basis of the recommendation of the Audit Committee and Board of Directors, M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N) New Delhi, be and is hereby re-appointed as the Statutory Auditors of the Company to hold office for a second consecutive term of five years from the conclusion of the 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting of the Company to be held in the year 2027 at such remuneration as mentioned in the explanatory statement for the FY 2022-23 and further authorizing the Board of Directors to determine remuneration of remaining period on recommendation of Audit Committee.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

SPECIAL BUSINESS

Item No. 4 - Ratification of Remuneration of the Cost Auditors for the financial year ending on 31st March, 2023

To ratify remuneration of the Cost Auditors for the Financial Year ending on 31st March, 2023 and to consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit Rules), 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and reimbursement of traveling and out of pocket expenses (at actuals) incurred for the purpose of audit, payable to M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017) Jaipur, who were re-appointed by the Board of Directors, as “Cost Auditors” to conduct the audit of the cost records maintained by the Company for financial year ending on 31st March, 2023 be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

Item No. 5 - Re-appointment of Mr. Vikas Ladia (DIN: 00256289) as Managing Director and Chief Executive Officer ("Key Managerial Personnel")

To reappoint Mr. Vikas Ladia (DIN: 00256289) as Managing Director and Chief Executive Officer ("Key Managerial Personnel") and to consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and provisions of Article of Association of the Company and all other applicable Laws, Rules and Acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as may be applicable, the approval of the shareholders be and is hereby accorded for the re- appointment of Mr. Vikas Ladia (DIN: 00256289) as Managing Director and Chief Executive Officer ("MD & CEO") of the Company ("Key Managerial Personnel") for a period of three (3) years w.e.f. 1st June, 2022 to 31st May, 2025 as per the terms and conditions mentioned hereunder with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Act and / or any statutory modification(s) or re-enactment(s) thereof or the ceiling limit as provided in the said resolution:-

TERMS OF REMUNERATION :- (Tenure - 1st June, 2022 to 31st May, 2025)

- I. BASIC SALARY:** Rs. 2,05,000/- per month with effect from 1st June, 2022 .
- II. PERQUISITES:** In addition to above, the following perquisites not exceeding the overall ceiling prescribed under Schedule V, annexed to the Act will be provided to Mr. Vikas Ladia, MD & CEO :-

Category (A)

- 1. Housing:** The Company shall provide free furnished residential accommodation and shall bear the actual cost of gas, electricity, water, furnishing and maintenance charges.
- 2. Medical Expenses Reimbursement:** Equal to one month's salary in a year or three months in three years.
- 3. Leave Travel Concession:** For self, wife and dependent children, once in a year to and fro charges from any place on actual basis subject to a ceiling of one month's salary in a year.
- 4. Personal Accident Insurance:** Actual premium on personal accident insurance.
- 5. Ex gratia in lieu of bonus:** @ 8.33% of the basic salary.

Category (B)

In addition to the perquisites, Mr. Vikas Ladia shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law :-

- 1. Contribution to Provident Fund / Superannuation Fund:** Will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
 - a. Company's contribution to Provident Fund:** @ 12% or such other rate as may be applicable to the employees under the Provident Fund Rules adopted by the Company, whichever is higher.
 - b. Company's contribution towards pension / superannuation funds:** Such contribution together with contribution towards Provident Fund shall not exceed the permissible limits as laid down in the Income Tax Rules, 1962.
- 2. Gratuity:** The gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- 3. Leave and Leave Encashment:** As per rules of the company not exceeding one month leave for every year of service and will not be included in the computation of limits.

Category (C)

- 1. Conveyance & Telephone:** Provision of use of car and telephone at the residence for the company's business will not be considered as perquisites. Personal calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Vikas Ladia.
- 2. Reimbursement of Expenses:** Apart from the remuneration as aforesaid, Mr. Vikas Ladia shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.
- 3. Sitting Fee etc.:** No sitting fee shall be paid to Mr. Vikas Ladia for attending the meetings of Board of Directors or any committee thereof.
- 4. Payment of Life Insurance Premium:** Life Insurance Premium shall be payable in respect of only insurance of life on the actual basis by the company.
- 5. Payment of Premium of the Mediclaim Policy:** Premium paid towards Mediclaim Policy for self, wife and dependent children shall be payable on actual basis by the Company.

Where in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Vikas Ladia, Managing Director and Chief Executive Officer in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

Other Terms & Conditions :

1. Mr. Vikas Ladia will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
2. Either party may terminate the agreement by giving the other party six-month's prior notice in writing to that effect.
If at any time Mr. Vikas Ladia ceases to be Director of the company for any reason whatsoever, he shall cease to be Managing Director & Chief Executive Officer of the Company.
3. The terms & conditions as above including remuneration, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule V annexed to the Act, as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard, subject to that the same does not exceed the ceiling as provided in the said resolution.
4. He shall be liable to retire by rotation.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation to Schedule V of the Act, the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit subject to that the same does not exceed the ceiling as provided in the said resolution and the said terms of re-appointment of Mr. Vikas Ladia as Managing Director & Chief Executive Officer of the company, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members / shareholders of the Company in the general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item No. 6 - Re-appointment of Mr. Anubhav Ladia (DIN:00168312) as Whole Time Director ("Key Managerial Personnel")

To reappoint Mr. Anubhav Ladia (DIN:00168312) as Whole Time Director ("Key Managerial Personnel") and to consider and, if thought fit, to pass, the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198 and 203 and Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and provisions of Article of Association of the Company and all other applicable Laws, Rules and Acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as

may be applicable, the approval of the shareholders be and is hereby accorded for the re- appointment of Mr. Anubhav Ladia (DIN: 00168312) as Whole Time Director Company (“WTD”) of the Company (“Key Managerial Personnel”) for a period of three (3) years w.e.f. 1st June, 2022 to 31st May, 2025 as per the terms and conditions mentioned hereunder with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Act and / or any statutory modification(s) or re-enactment(s) thereof or the ceiling limit as provided in the said resolution:-

TERMS OF REMUNERATION :- (Tenure - 1st June, 2022 to 31st May, 2025)

- I. BASIC SALARY:** Rs. 1,55,000/- per month with effect from 1st June, 2022.
- II. PERQUISITES:** In addition to above, the following perquisites not exceeding the overall ceiling prescribed under Schedule V, annexed to the Act will be provided to Mr. Anubhav Ladia, Whole Time Director :-

Category (A)

- 1. Housing:** The Company shall provide free furnished residential accommodation and shall bear the actual cost of gas, electricity, water, furnishing and maintenance charges.
- 2. Medical Expenses Reimbursement:** Equal to one month's salary in a year or three months in three years.
- 3. Leave Travel Concession:** For self, wife and dependent children, once in a year to and fro charges from any place on actual basis subject to a ceiling of one month's salary in a year.
- 4. Personal Accident Insurance:** Actual premium on personal accident insurance.
- 5. Ex gratia in lieu of bonus:** @ 8.33% of the basic salary.

Category (B)

In addition to the perquisites, Mr. Anubhav Ladia shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law :-

- 1. Contribution to Provident Fund / Superannuation Fund:** Will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.
 - a. Company's contribution to Provident Fund:** @ 12% or such other rate as may be applicable to the employees under the Provident Fund Rules adopted by the Company, whichever is higher.
 - b. Company's contribution towards pension / superannuation funds:** Such contribution together with contribution towards Provident Fund shall not exceed the permissible limits as laid down in the Income Tax Rules, 1962.
- 2. Gratuity:** The gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- 3. Leave and Leave Encashment:** As per rules of the company not exceeding one month leave for every year of service and will not be included in the computation of limits.

Category (C)

- 1. Conveyance & Telephone:** Provision of use of car and telephone at the residence for the company's business will not be considered as perquisites. Personal calls on telephone and use of car for private purpose shall be billed by the Company to Mr. Anubhav Ladia.
- 2. Reimbursement of Expenses:** Apart from the remuneration as aforesaid, Mr. Anubhav Ladia shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.
- 3. Sitting Fee etc.:** No sitting fee shall be paid to Mr. Anubhav Ladia for attending the meetings of Board of Directors or any committee thereof.
- 4. Payment of Life Insurance Premium:** Life Insurance Premium shall be payable in respect of only insurance of life on the actual basis by the company.
- 5. Payment of Premium of the Mediclaim Policy:** Premium paid towards Mediclaim Policy for self, wife and dependent children shall be payable on actual basis by the Company.

Where in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Anubhav Ladia, Whole Time Director in accordance with the applicable provisions of Schedule V of the Companies Act, 2013.

Other Terms & Conditions :

1. Mr. Anubhav Ladia will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.
2. Either party may terminate the agreement by giving the other party six-month's prior notice in writing to that effect. If at any time Mr. Anubhav Ladia ceases to be Director of the company for any reason whatsoever, he shall cease to be Whole Time Director of the Company.
3. The terms & conditions as above including remuneration, may be altered / varied from time to time by the Board of Directors as it may, in its absolute discretion, deem fit within the maximum amount payable to the appointee in accordance with Schedule V annexed to the Act, as may be amended from time to time or any other relevant Statutory enactment(s) thereof in this regard, subject to that the same does not exceed the ceiling as provided in the said resolution.
4. He shall be liable to retire by rotation.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation to Schedule V of the Act, the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration including salary, commission, perquisites, allowances, etc. within such prescribed limit subject to that the same does not exceed the ceiling as provided in the said resolution and the said terms of re-appointment of Mr. Anubhav Ladia as Whole Time Director of the company, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members / shareholders of the Company in the general meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

Item no. 7 - To sell, transfer and / or dispose of the whole or substantially the whole of the undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013 both present and future

To sell, transfer and / or dispose of the whole or substantially the whole of the undertaking of the Company for a value of the undertaking not exceeding Rs. 100 Cr and to consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the relevant rules made thereunder, the enabling provisions in the Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")(including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such approvals, sanctions, consents, registrations and permissions, as may be required, and subject to such terms, conditions, alterations, corrections, changes, variations and / or modifications, if any, as may be stipulated by any authority while granting such approvals, sanctions, consents, registrations and permissions, which may be agreed by the Board of Directors of the Company (hereinafter referred as the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution) and subject to the approval of the Banks / Lenders, if required, consent, authority and approval of the members of the Company be and is hereby accorded to the Board to sell, transfer and / or dispose of the whole or substantially the whole of the undertaking of the Company for a value of the undertaking not exceeding Rs. 100 Crore and in the manner and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing and varying the terms and conditions to sell, transfer and / or dispose of the whole or substantially the whole of the undertaking and take all necessary steps in the matter as it may in its absolute discretion deem necessary, desirable or expedient to give effect to the above resolution, and to settle any question and difficulty that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their consent, authority and approval thereto expressly by the authority of this resolution.”

Date: August 02, 2022

Place: Udaipur

Registered Office: 27-A, First Floor, Meera

**Nagar, Housing Board Colony,
Udaipur - 313001 Rajasthan**

**By Order of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Sd/-

**PrinkleTalesara
(Company Secretary &
Compliance Officer)
Membership No. A60017**

NOTES

- I. The Ministry of Corporate Affairs (“MCA”) has vide its circulars dated April 08, 2020, April 13, 2020, May 05, 2020, June 15, 2020, September 28, 2020, December 31, 2020, January 13, 2021, June 23, 2021, December 08, 2021, December 14, 2021 and May 05, 2022 (“MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 (“SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 42nd AGM shall be the registered office of the Company.
- II. The AGM being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM will be held through VC/ OAVM, the Route map is not annexed to this Notice.
- III. Corporate Members and other non-individual shareholders authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or e-voting during the AGM, are requested to send scanned copy (PDF/JPG) of its Board or governing body Resolution / authority letter, together with attested specimen signature of the duly authorized signatory through email to the Company at cs@srsli.in.
- IV. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect to Ordinary Business at Item No. 3 and Special Business at Item No. 4, Item No. 5, Item No. 6 and Item No. 7 of the accompanying Notice is annexed hereto.
- V. A brief resume of the directors proposed to be appointed / re-appointed, nature of his expertise in specific functional areas, terms and conditions of reappointment, remuneration last drawn, remuneration proposed to be paid, shareholding in the Company, number of meetings attended, names of companies in which they hold directorship and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of Secretarial Standard on General Meetings(SS-2), are annexed hereto.

- VI. Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 3rd September, 2022 to Friday, 9th September, 2022 (both days inclusive) for the purpose of the AGM.
- VII. Copies of the Notice of the 42nd AGM along with the Annual Report for the year 1st April, 2021 to 31st March, 2022, instructions for e-voting and instructions for attending AGM through VC/OAVM, is being sent through electronic mode only to the members whose email addresses are registered with the Company/Depository Participant(s). Members may note that the aforesaid documents will also be available on the Company's website www.srsl.in, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and NSDL i.e. www.evoting.nsdl.com (the authorised agency for providing voting through electronic means and AGM through VC/ OAVM). Company's web-link as mentioned will also be provided in advertisement being published in Financial Express (English edition) and Business Remedies (Hindi edition). Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice of the AGM and Annual Report may temporarily get themselves registered with RTA by emailing for obtaining the same.
- VIII. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
- IX. Members seeking any information with regard to Accounts may write to the Company 7 (seven) days before the date of the AGM.
- X. In terms of Section 72 of the Act and the applicable provisions, the shareholders of the Company may nominate a person in whose name the shares held by him/ them shall vest in the event of his/their death. Shareholders desirous of availing this facility may submit the requisite nomination form.
- XI. In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders atleast 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.
- XII. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company/Registrar.
- XIII. In accordance with SEBI vide its circular no. SEBI/HO/MIRSD_RTAMB/CIR/P/2020/166 dated 7th September, 2020 all share transfers shall be carried out compulsorily in the dematerialised form with effect from 1st April, 2021. Hence no transfer in physical share are allowed. Further SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the on the website of the Company's Registrar and Transfer Agents. It may be noted that any service request can be processed only after the folio is KYC Compliant. Members holding shares in physical form are requested to dematerialise their holdings at the earliest.

- XIV. The Securities and Exchange Board of India ('SEBI') vide its circular dated 3rd November, 2021 read with circular dated 14th December, 2021 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA on or after 1st April 2023. Members holding shares in physical form can submit the same (with form ISR-1 & SH13 (which can be download from RTA website i.e. www.masserv.com M/s Mas Services Ltd., Registrar and Share Transfer Agent of the Company.)

The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI circular, all folios of such shareholders shall be frozen on or after 1st April, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN;
- ii. Nomination in Form No. SH-13 or submit declaration to 'Opt-out' in Form ISR-3;
- iii. Contact details including Postal address with PIN code, Mobile Number, E-mail address;
- iv. Bank Account details including Bank name and branch, Bank account number, IFS code;
- v. Specimen signature.

Any cancellation or change in nomination shall be provided in Form No.SH-14

All of above required documents/details shall be provided to Company/ RTA at cs@srsll.in / investor@masserv.com and send the documents at the address of registered office of the company or RTA. The shareholders can download the forms mentioned in SEBI circular from the RTA website i.e www.masserv.com.

- XV. 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, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company in case the shares are held by them in physical form.
- XVI. For receiving all future correspondence (including Annual Report) from the Company electronically In case you have not registered your email ID with the Company/ Depository, please follow below instructions to register your email ID for obtaining Annual Report for FY 2021-22 and login details for e-voting.

Physical Holding	<p>Send a signed request letter to Registrar and Transfer Agents of the Company, MAS Services Limited at investor@masserv.com providing Folio number, Name of the 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) with subject line (Register E- mail ID Folio No. (Mention Folio No.) for registering email address.</p> <p>Please send your bank detail with original cancelled cheque to our RTA (i.e. MAS Services Limited, T-34 2nd floor, Okhla Industrial Area, Phase-II, New Delhi 110020 along with letter mentioning folio no. if not registered already.)</p>
Demat Holding	<p>Please contact your Depository Participant (DP) and register your email address and other detail as per the process advised by DP.</p>

- XVII. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or its Registrar-Mas Services Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- XVIII. In case of joint holders, 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 at the AGM.
- XIX. Voting through electronic means: Remote e-voting and e-voting during AGM
- a. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and MCA Circulars the Company is pleased to provide its members, the facility of remote e-voting and e-voting during AGM in respect of the business to be transacted at the 42nd AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system on the date of the AGM will be provided by NSDL.
 - b. For ease of conduct, members who would like to ask questions/express their views on the items of the business to be transacted at the meeting can send in their questions/comments in advance by 2nd September, 2022, mentioning their name, demat account number/ folio number, email id, mobile number at cs@srsl.in . The same will be replied by the Company suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
 - c. The Members can login and 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 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, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - d. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
 - e. 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 Act.
 - f. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e Friday, 2nd September, 2022 may obtain the login ID and password by sending a request at investor@masserv.com.
 - g. CS Manoj Maheshwari, FCS 3355, Practicing Company Secretary and partner of M/s V. M. & Associates, Company Secretaries has been appointed as a scrutinizer to scrutinize the remote e-voting and e-voting process at the AGM, in a fair and transparent manner.

XX. Instructions for e-voting and joining the AGM are as follows:

In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and Regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice of 42nd AGM through electronic voting system, to members holding shares as on Friday, 2nd September, 2022, being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by NSDL or to vote at the e-AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 5th September, 2022 at 09:00 A.M. and ends on Thursday, 8th September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut- off date) i.e. 2nd September, 2022 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 2nd September, 2022.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

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

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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of share-holders	Login Method
Individual shareholders holding securities in demat mode with NSDL	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 options available against company name or e-Voting service provider - NSDL and you will be re- directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	<p>2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirect Reg.jsp</p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi /Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/Easi Registration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</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. Once login, you will be able to see e- Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
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 022-23058738 or 022-23058542-43

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

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

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

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

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

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.vmanda@gmail.com / cs@srsln.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Amit Vishal at evoting@nsdl.co.in or to our RTA at investor@masserv.com.

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

1. In case shares are held in physical mode please send a signed request letter with Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@masserv.com or cs@srsln.in.
2. In case shares are held in demat mode, please update your email ID with your depository and provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, updated client master to investor@masserv.com or cs@srsln.in . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVMvlink” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@srsi.in. The same will be replied by the company suitably.

GENERAL INFORMATION

1. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, for all those members who are present through VC / OAVM at the AGM but have not cast their votes by availing the remote e-voting facility.
2. The Scrutinizer shall, submit not later than two working days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
3. The Resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution(s).
4. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website-www.srsi.in and on the website of NSDL immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
5. In case you have any queries or issues regarding e-voting before the AGM, e-voting during the AGM and joining the AGM through VC/OAVM, Members may contact Mr. Amit Vishal, Assistant Vice President, NSDL, Tradeworld, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, East Mumbai 400013. Email: evoting@nsdl.co.in Tel: 1800-1020-990 and 1800 22 44 30. Further, Members may also contact with Mr. NC Pal, Manager, Mas Services Limited, RTA of the Company at T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020. Phone No.011-26387281/82/83, e-mail:- info@masserv.com. Members may also write to the Company at cs@srsi.in

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

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out material facts relating to the special business mentioned at Item Nos. 4 to 7 of the accompanying Notice dated 2nd August, 2022. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 3 of the said Notice.

Item No. 3

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Members at the 37th Annual General Meeting ('AGM') of the Company held on 26th September, 2017, had approved appointment of M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N), New Delhi, as the Statutory Auditors of the Company to hold office from the conclusion of the 37th AGM till the conclusion of the 42nd AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as industry experience, competency of the audit team, satisfactory performance, independence, etc., the Board of Directors of the Company, based on the recommendation of the Audit Committee, proposed the reappointment of M/s Doogar & Associates, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 42nd AGM till the conclusion of 47th AGM of the Company to be held in the year 2027.

M/s Doogar & Associates have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

M/s Doogar & Associates was paid a fee of Rs. 2,50,000/- for the audit of standalone financial statements of the Company for the financial year ended 31st March, 2022 plus applicable taxes and out-of-pocket expenses. The fee proposed to be paid to M/s Doogar & Associates for the financial year ending 31st March, 2023 will be Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand Only) plus applicable GST and reimbursement of traveling expenses and out of pocket expenses (at actuals). The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice. Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 3 of the Notice for approval by the Members.

Item No. 4

The Board in its meeting held on 25th May, 2022, on the basis of recommendation of the Audit Committee, has approved the re-appointment and recommended remuneration of Cost Auditor, M/s. K. G. Goyal & Co., Cost Accountants (Firm Registration No.000017) Jaipur to conduct the audit of the cost records maintained by the Company for financial year ending on 31st March, 2023.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rule 14 of The Companies (Audit and Auditors) Rules, 2014 and The Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors amounting to Rs. 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and reimbursement of traveling and out of pocket expenses (at

actuals) incurred for the purpose of audit, as recommended by the Audit Committee and approved by the Board of Directors, is subject to the ratification by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending on 31st March, 2023.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice. The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for approval by the members.

Item No. 5

Mr. Vikas Ladia (DIN: 00256289) was appointed as the Managing Director and Chief Executive Officer (“MD & CEO”) of the Company (“Key Managerial Personnel”) by the members at the AGM held on 25th September, 2019 to hold office upto 31st May, 2022.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, in their meeting held on 25th May, 2022 has approved his re-appointment as Managing Director and Chief Executive Officer (“MD & CEO”) of the Company (“Key Managerial Personnel”) for a further period of 3 years with effect from 1st June, 2022 to 31st May, 2025 and remuneration thereon, subject to the approval of the shareholders by way of Special Resolution.

Mr. Vikas Ladia satisfies all the conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196(3) of the Act and therefore his re-appointment requires approval of members by the way of Special Resolution. Accordingly, the present proposal is to seek the member’s approval for re-appointment of Mr. Vikas Ladia on terms and conditions, including remuneration, as mentioned in the resolution. The disclosures as required pursuant to Schedule V of the Act are as under :-

A. General Information :

- 1. Nature of Industry :** The Company is in the business of manufacturing of Synthetic Grey Yarn, Dyed Yarn, Cotton Yarn and Polypropylene Multifilament Yarn.
- 2. Date of commencement of commercial production :** Subsequent to the incorporation of the Company on 15th November, 1979, the Company obtained Certificate of Commencement of business on 19th January, 1980.
- 3. Financial Performance based on given indicators :** The details of the financial performance of the Company for the year 2020-21 and 2021-22 are duly provided in the Annual Report 2021-2022 which accompanies this notice.
- 4. Foreign investments or collaborations, if any :** No Direct Foreign investments or collaborators.

B. Information about the Appointee :

1. Background details :

Mr. Vikas Ladia, aged 48 years, holds a degree in B. Tech in Computer Engineering from Manipal Institute of Technology, Manipal. He is currently Managing Director and Chief Executive Officer (“MD & CEO”) of the Company and currently the overall incharge of technical and commercial aspects of the Company as a Managing Director of the company. Under his supervision two divisions were established, namely, Shree Rajasthan Texchem and Shree Rajasthan Polycot.

In the year 2002, he had been given the entire responsibility of all the Plant operations at Dungarpur. He headed the project execution team of 9 MW captive power plants purchased from M/s. Wartsila, Finland. In 2007, he again headed the team for execution of 1 x 8 MW Thermal Power Plant at Dungarpur using latest DCS technology. He has successfully overseen the operations of the Company, modernisation, expansion and up-gradation of production and plants

2. Past Remuneration :Rs. 25,48,560 p.a. along with perquisites

3. Recognition or awards :

Mr. Vikas Ladia has represented various Associations and Organizations. He was Chairman of the Young Entrepreneur Group, at Confederation of Indian Textile Industry, New Delhi from 2005-2007.

4. Job Profile and his suitability :

Being Managing Director and Chief Executive Officer (“MD & CEO”), he was looking after the affairs of the Company and the entire responsibility of all the Plant operations at Dungarpur, subject to superintendence, control and direction of the management.

Taking into account his qualifications, experience and the responsibilities placed on him as Managing Director and Chief Executive Officer (“MD & CEO”) of the Company and in view of his contribution to the Company since his appointment, the Board considers his remuneration to be in the best interest of the Company.

5. Remuneration proposed

The remuneration proposed is as set out above in the notice. Considering the financial position of the Company, there will be no increase in the remuneration structure of Mr. Vikas Ladia and it is recommended by the Nomination and Remuneration Committee and Board of Directors to continue the remuneration of Mr. Vikas Ladia on the same terms and conditions as stipulated in previous appointment made effective from 1st June, 2019 and at previous remuneration drawn of Rs. 2,05,000/- per month by him along with perquisites approved earlier in previous appointment.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :

The remuneration is as per Section 197, 198 and the other applicable provisions of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of MD and CEO levels of similar sized Textile manufacturing Companies in India. The Company has paid up share capital of nearly Rs. 13.70 Crores and is presently listed on one Stock Exchange i.e. BSE with approx. 7,680 shareholders. Therefore, as per the profile of Mr. Vikas Ladia (as mentioned above) and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package respect to industry and size of the Company.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:-

Mr. Vikas Ladia belongs to the promoter group of the Company. He has no other pecuniary relationship with the Company except to the extent of his remuneration and shareholding in the Company. Further he is brother of Mr. Anubhav Ladia, Whole time Director of the Company.

C. Other Details

1. Reason of loss or inadequate profit

- The Company incurred losses due to non availability of working capital due to financial stress and thus under utilisation of installed capacity.
- There was a considerable fall in the margin due to limited operations running on job work basis.

2. Steps taken or proposed to be taken for improvement

- The Company has proposed a Financial Resolution Plan and submitted to its Financial Creditors.
- The Company has the approval of the above from majority of the Financial Lenders and is hopeful to execute the plan in the next financial year.

3. Expected increase in productivity and profits in measurable terms (approximate values are provided)

Particulars	F.Y. 2022-23	F.Y. 2023-24
Sales	21.08	37.89
Cash / Profit	(1.10)	(0.34)
Net Profit	(5.00)	(4.00)

D. Disclosures

As required, the information is provided under Corporate Governance Section of the Annual Report 2021-22.

Further, Mr. Vikas Ladia has given :

1. his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment and Qualification of Directors) Rules, 2014;
2. Intimation in Form DIR-8 in terms of The Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act and as per Schedule V of the Companies Act, 2013;
3. The disclosure of interest in Form MBP-1 in terms of Section 184(1) of the Act read with Rule 9(1) of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 26 of Listing Regulations; and
4. Declaration pursuant to SEBI Circular having re. No. LIST/COMP/14/2018-19 dated June 20, 2018 confirming that he is not debarred / restrained from accessing the capital markets and / or holding the office of director in a company pursuant to any SEBI order or any other such authority.

None of the Directors and Key Managerial Personnel (KMP) of the Company, except Mr. Vikas Ladia (being an appointee) and Mr. Anubhav Ladia (being brother of Mr. Vikas Ladia) are concerned or interested, financial or otherwise, in the resolution set out in item no. 5 (Special Business) of the Notice.

Accordingly, consent of the members is sought for passing Special Resolution as set out at **Item No. 5** of the Notice for re-appointment of Mr. Vikas Ladia as Managing Director and Chief Executive Officer ("Key Managerial Personnel"). The Board recommends the Special Resolution set out at **Item No. 5** of the Notice for approval by the members. This Explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Item No. 6

Mr. Anubhav Ladia (DIN: 00168312), was appointed as Whole Time Director ("WTD") of the Company by the members at the AGM held on 25th September, 2019 to hold office upto 31st May, 2022.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, in their meeting held on 25th May, 2022 has approved his re-appointment as Whole Time Director ("WTD") of the Company ("Key Managerial Personnel") for a further period of 3 years with effect from 1st June, 2022 to 31st May, 2025 and remuneration thereon, subject to the approval of the shareholders by way of Special Resolution in the ensuing AGM.

Mr. Anubhav Ladia satisfies all the conditions set out in Part-I of Schedule V of the Act and also conditions set out under Section 196(3) of the Act and therefore his re-appointment requires approval of members by the way of Special Resolution. Accordingly, the present proposal is to seek the member's approval for re-appointment of Mr. Anubhav Ladia on terms and conditions, including remuneration, as mentioned in the resolution. The disclosures as required pursuant to Schedule V of the Act are as under :-

A. General Information :

1. **Nature of Industry :** The Company is in the business of manufacturing of Synthetic Grey Yarn, Dyed Yarn, Cotton Yarn and Polypropylene Multifilament Yarn.
2. **Date of commencement of commercial production :** Subsequent to the incorporation of the Company on 15th November, 1979, the Company obtained Certificate of Commencement of business on 19th January, 1980.

3. **Financial Performance based on the given indicators** : The details of the financial performance of the Company for the year 2020-21 and 2021-22 are duly provided in the Annual Report 2021-2022 which accompanies this notice.
4. **Foreign investments or collaborators, if any** : No Direct Foreign investments or collaborators.

B. Information about the Appointee :

1. Background details :

Mr. Anubhav Ladia, aged 45 years, is Whole Time Director (“WTD”) of the Company holds a degree in B.Com (Hons) from Shree Ram College of Commerce, New Delhi in 1998. He Completed CA from Institute of Chartered Accountants of India, New Delhi & Articleship from M/s. S.R. Batliboi & Co., New Delhi. He joined the company in January 2002 as Special Executive. Currently, he is working as Whole Time Director of the Company and looking after the financial and commercial aspects of the Company.

2. Past Remuneration : Rs. 19,26,960 p.a. along with perquisites

3. Recognition or awards :

Mr. Anubhav Ladia has represented the Company in various Textile forums including the Confederation of Indian Textile Industry (CITI). He is also an active member of Global Networking Group, etc.

4. Job Profile and his suitability :

Being Whole Time Director (“WTD”), he was looking after the financial and commercial aspects of the group including all corporate affairs of the group subject to superintendence, control and direction of the management

Taking into account his qualifications, experience and the responsibilities placed on him as Whole Time Director of the Company and in view of his contribution to the Company since his appointment, the Board considers his remuneration to be in the best interest of the Company.

5. Remuneration proposed

The remuneration proposed is as set out above in the notice. Considering the financial position of the Company, there will be no increase in the remuneration structure of Mr. Anubhav Ladia and it is recommended by the Nomination and Remuneration Committee and Board of Directors to continue the remuneration of Mr. Anubhav Ladia on the same terms and conditions as stipulated in previous appointment made effective from 1st June, 2019 and at previous remuneration drawn of Rs. 1,55,000/- per month by him along with perquisites approved earlier in previous appointment.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person :

The remuneration is as per Section 197, 198 and the other applicable provisions of the Companies Act, 2013 read with Schedule V and is comparable to the remuneration of MD and CEO levels of similar sized Textile manufacturing Companies in India. The Company has paid up share capital of nearly 13.70 Crores and is presently listed on one Stock Exchange i.e. BSE with approx. 7,680 shareholders. Therefore, as per the profile of Mr. Anubhav Ladia (as mentioned above) and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package respect to industry and size of the Company.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:-

Mr. Anubhav Ladia belongs to the promoter group of the Company. He has no other pecuniary relationship with the Company except to the extent of his remuneration and shareholding in the Company. Further he is brother of Mr. Vikas Ladia, Managing Director and Chief Executive Officer of the Company.

C. Other Details

1. Reason of loss or inadequate profit

- The Company incurred losses due to non availability of working capital due to financial stress and thus under utilisation of installed capacity.
- There was a considerable fall in the margin due to limited operations running on job work basis.

2. Steps taken or proposed to be taken for improvement

- The Company has proposed a Financial Resolution Plan and submitted to its Financial Creditors.
- The Company has the approval of the above from majority of the Financial Lenders and is hopeful to execute the plan in the next financial year.

3. Expected increase in productivity and profits in measurable terms (approximate values are provided)

Particulars	F.Y. 2022-23	F.Y. 2023-24
Sales	21.08	37.89
Cash / Profit	(1.10)	(0.34)
Net Profit	(5.00)	(4.00)

D. Disclosures

As required, the information is provided under Corporate Governance Section of the Annual Report 2021-22. Further, Mr. Anubhav Ladia has given :

1. his consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of The Companies (Appointment and Qualification of Directors) Rules, 2014;
2. Intimation in Form DIR-8 in terms of The Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act and as per Schedule V of the Companies Act, 2013;
3. The disclosure of interest in Form MBP-1 in terms of Section 184(1) of the Act read with Rule 9(1) of the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 26 of Listing Regulations; and
4. Declaration pursuant to SEBI Circular having re. No. LIST/COMP/14/2018-19 dated June 20, 2018 confirming that he is not debarred / restrained from accessing the capital markets and / or holding the office of director in a company pursuant to any SEBI order or any other such authority.

None of the Directors and Key Managerial Personnel (KMP) of the Company, except Mr. Anubhav Ladia (being an appointee) and Mr. Vikas Ladia (being brother of Mr. Anubhav Ladia) are concerned or interested, financial or otherwise, in the resolution set out in item no. 6 (Special Business) of the Notice.

Accordingly, consent of the members is sought for passing Special Resolution as set out at Item No. 6 of the Notice for re-appointment of Mr. Anubhav Ladia as Whole Time Director ("Key Managerial Personnel"). The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members. This Explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Act.

Item no. 7

The Company is seeking a resolution from its Banks. As part of the Resolution, the Company has proposed that it would be required to sell / dispose off substantial portion of its Assets after getting due permission for Sale of Secured Assets from its financial lenders. The funds would be used to repay the Secured Loans taken from the financial lenders.

Accordingly, the Board of Directors is of the opinion that company may have to sell, transfer and / or dispose off (as the case may be), the immovable property(ies) and / or movable property(ies) to a person / any other entity, as a going concern or otherwise, at an agreed price with the mutual consent of the both the parties. Since the sale, transfer or disposing of the undertaking i.e. immovable / movable properties of

the Company may involve selling, transferring and / or disposing of the whole or substantially the whole of an undertaking of the Company wherein

(i) “undertaking” shall mean an undertaking in which the investment of the company exceeds twenty per cent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty per cent. of the total income of the company during the previous financial year;

(ii) the expression “substantially the whole of the undertaking” in any financial year shall mean twenty per cent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year;

therefore it requires approval of the shareholders.

As per Section 180 (1) (a) and other applicable provisions of the Companies Act, 2013, approval of the members is sought by way of Special Resolution to sell, transfer and / or dispose off the whole or substantially the whole of the undertaking of the Company for a value of the undertaking not exceeding Rs. 100 Crore.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 7 of the Notice. The Board recommends the Special Resolution set out at Item no. 7 of the Notice for approval by the members.

ANNEXURE

DETAILS / PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS PER REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 of SECRETARIAL STANDARD ON GENERAL MEETINGS ("SS-2")

S. No.	Particulars	Details	
1.	Name of the Director	Mr. Vikas Ladia, Managing Director And Chief Executive Officer ("MD & CEO")	Mr. Anubhav Ladia Whole Time Director ("WTD")
2.	DIN	00256289	00168312
3.	Date of Birth	07.01.1974	11.01.1977
4.	Age	48 years	45 years
5.	Qualifications	B. Tech in Computer Engineering from Manipal Institute of Technology, Manipal	1. He is a Graduate in Commerce from Shree Ram College of Commerce, New Delhi. 2. He is a Fellow Member of ICAI.
6.	Brief Profile	Mr. Vikas Ladia, aged 48 years, holds a degree in B. Tech in Computer Engineering from Manipal Institute of Technology, Manipal. He is currently Managing Director and Chief Executive Officer ("MD & CEO") of the Company. Under his supervision two divisions were established, namely, Shree Rajasthan Texchem and Shree Rajasthan Polycot. In the year 2002, he had been given the entire responsibility of all the Plant operations at Dungarpur. He headed the project execution team of 9 MW captive power plants purchased from M/s. Wartsila, Finland. In 2007, he again headed the team for execution of 1 x 8 MW Thermal Power Plant at Dungarpur using latest DCS technology.	Mr. Anubhav Ladia, aged 45 years has completed his CA from ICAI, New Delhi and Articleship from M/s. S.R. Batliboi & Co., New Delhi. He is currently a Whole Time Director of the Company. He joined the Company as Special Executive. Currently, he is working as a Whole Time Director of the Company and looking after the financial and commercial aspects of the Company.
7.	Experience (including expertise in specific functional areas) / Brief Resume	He is a Computer Engineer and is an expert on Textile machineries and synthetic yarn production. He has a rich Plant level working experience. He has been heading the Dungarpur Plant of the Company since 20 years. Presently, heading and managing the operations of Dungarpur Plant of the Company.	He is a Chartered Accountant having sound experience in finance field. He is presently located at the Head Office, as in-charge of financial and commercial aspects of the Company and has an overall experience of 20 years in the textile industry.

8.	Terms and Conditions of Appointment / Re-appointment	Mr. Vikas Ladia is being appointed as Managing Director and Chief Executive Officer (“MD & CEO”) of the Company (“Key Managerial Personnel”) for a period of three (3) years w.e.f. 1 st June, 2022 to 31 st May, 2025 as per the terms and conditions mentioned in the Item No. 5 of the notice and shall be liable to retire by rotation.	Mr. Anubhav Ladia is being appointed as Whole Time Director Company (“WTD”) of the Company (“Key Managerial Personnel”) for a period of three (3) years w.e.f. 1 st June, 2022 to 31 st May, 2025 as per the terms and conditions mentioned in the Item No. 6 of the notice and shall be liable to retire by rotation.
9.	Remuneration last drawn (including sitting fees, if any)	Rs. 25,48,560 p.a. along with perquisites	Rs. 19,26,960 p.a. along with perquisites
10.	Remuneration proposed to be paid	Rs. 2,05,000 per month along with perquisites as mentioned in the resolution	Rs. 1,55,000 per month along with perquisites as mentioned in the resolution
11.	Date of first appointment on the Board	15 th January, 2001	1 st September, 2005
12.	Shareholding in the Company	5,24,365	2,91,882
13.	Relationship with other Directors / Key Managerial Personnel	Brother of Mr. Anubhav Ladia (Director of the company)	Brother of Mr. Vikas Ladia (Director of the company)
14.	Number of the meetings of the Board attended during the year	5	5
15.	Directorship of other Boards	i) The Synthetic and Rayon Textiles Export Promotion Council	SRSL Securities Ltd. Divine Fibres Pvt. Ltd. PBS Marketing Pvt. Ltd. Shree Shyam Distributors & Marketing Pvt. Ltd.
16.	Membership / Chairmanship of Committee of other Boards	NIL	NIL
17.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	NIL	NIL

Date: August 02, 2022
Place: Udaipur
Registered Office: 27-A, First Floor, Meera
Nagar, Housing Board Colony,
Udaipur - 313001, Rajasthan

By Order of the Board of Directors
For Shree Rajasthan Syntex Ltd.
Sd/-
Prinkle Talesara
(Company Secretary &
Compliance Officer)
Membership No. A60017

BOARD'S REPORT

To

The Members,

Your Directors have pleasure in presenting the 42nd Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2022.

1. FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial summary and highlights are summarized below:-

(Rs. in Lakhs)

Particulars	Financial Year	
	31 st March, 2022	31 st March, 2021
Revenue from operations	5,078	3,663
Other Income	17	159
Total Revenue (A)	5,095	3,822
Expenses:-		
Cost of materials consumed	1,102	1,019
Purchase of Stock-in-trade	715	234
Changes in inventories of finished goods, Work in progress and stock-in-trade	33	113
Employees benefit expenses	1,152	918
Finance Costs	2,771	1,818
Depreciation and Amortization expenses	437	439
Other Expenses	2,527	1,696
Total Expenses (B)	8,737	6,237
Profit/(loss) before exceptional items and tax (A) - (B)	(3,642)	(2,415)
Exceptional items (gain)	-	-
Profit / (Loss) before tax	(3,642)	(2,415)
Less : Tax expense	-	-
Profit / (Loss) for the period	(3,642)	(2,415)
Other comprehensive Income (Net of Tax)	6	60
Total Comprehensive Income for the period (Comprising profit after tax and other comprehensive income after tax for the period)	(3,636)	(2355)

2. IMPACT OF COVID-19

Your Directors hereby inform the members that during the year under review, the entire world including our country continued to face the unprecedented once in a lifetime challenge thrown by the world over pandemic in the form of COVID – 19. The second wave of the pandemic was devastating for livelihood of all people of the country. The State Lockdown was announced by the Government from time to time during the year. These events made the Company suffer heavy financial and operational Loss.

Your Company took various steps and decisions to counter the challenges which came before us by the unprecedented conditions. These included rationalisation of costs and optimized use of its capacities. Due to all these measures your Company could sustain its operations in a better manner as compared to FY 2020-21.

3. FINANCIAL PERFORMANCE

During the year under review, the Company's operations continued to be affected due to COVID-19 pandemic and further due to the impact of high power cost and non availability of working capital for operations resulting in lower capacity utilisation and constrained margins due to operations on Job work basis. Furthermore, the Company has not been able to undertake necessary regular capital expenditure as per industry norms for proper maintenance and upkeep of plant and equipment due to paucity of funds. During the year under review the Company had a downfall in its profitability. There was a loss during the year amounting to Rs. 3,642 Lakhs as compared to loss of Rs. 2,415 Lakhs in previous year. The total revenue of the company was Rs. 5,095 Lakhs as compared to Rs. 3,822 Lakhs of previous year.

Your Directors and Management along with the entire team is taking all possible action to ensure that we are able to sustain our financial productivity and business operational developments inspite of all adverse external conditions and competition.

4. STATE OF THE COMPANY'S AFFAIR

The business operations of the company during the year under review continues to be adversely affected.

The Company produced 5824.76 M.T. of yarn valuing Rs. 5044.56 Lakhs during the period under review as against 5076.36 M.T. of yarn valuing Rs. 3,550.48 Lakhs produced during the last year. During the year, there were no exports.

The state of Company's affairs and performance of the Company is analyzed in detail in the Management Discussions and Analysis Report annexed to this report as Annexure-5.

5. DIVIDEND

In view of Losses in the current year, your Directors are unable to recommend any dividend for the year under review.

6. TRANSFER TO RESERVES

No amount is proposed to be transferred to the Reserves for the year under review.

7. UNPAID / UNCLAIMED DIVIDEND

The details of unpaid / unclaimed dividend and their respective shares transferred by the Company to IEPF are available at the website of the Company at http://www.srsl.in/documents/LIST_OF_SHAREHOLDERS_IEPF.pdf and [http://www.srsl.in/documents/LIST-OF-SHAREHOLDERS-DIVIDEND-TRANSFERRED--\(IEPF\).pdf](http://www.srsl.in/documents/LIST-OF-SHAREHOLDERS-DIVIDEND-TRANSFERRED--(IEPF).pdf)

8. FIXED DEPOSITS

Your Company has not accepted any fresh Unsecured Fixed Deposits from its members during the financial year 2021-22. The Fixed Deposits which have been taken earlier have been duly paid as and when they were matured.

1. The details relating to deposits, covered under Chapter V of the Companies Act, 2013 ("the Act") are as under:-

- | | | |
|---|---|-----|
| a) accepted during the year | : | Nil |
| b) remained unpaid or unclaimed as at the end of the year | : | Nil |
| c) whether there has been any default in repayment of the deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved | | |
| i. at the beginning of the year | : | Nil |
| ii. maximum during the year | : | Nil |
| iii. at the end of the year | : | Nil |

2. There are no deposits which are in non - compliance with the requirements of Chapter V of the Act.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans or investments covered under Section 186 of the Act along with the purpose for which the loan or security is proposed to be utilized by the recipient of the loan or security, are provided in Notes to the Financial Statements. Please refer note 6 and 14 to the Financial Statement.

10. CHANGE IN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Directors

In accordance with the provisions of Section 152(6) of the Act read with the rules made thereunder and the Company's Articles of Association, Mr. Anubhav Ladia (DIN:00168312) was re-appointed as director retire by rotation at the 41st AGM.

Mr. Vikas Ladia (DIN: 00256289) is liable to retire by rotation at 42nd AGM and being eligible, seeks re-appointment. The Board recommends his re-appointment.

Further, Mr. Mohan Lal Sharma, Independent Director resigned from the post of directorship with effect from 13th August, 2021. The Board of Directors have expressed their sincere gratitude towards the guidance rendered by Mr. Mohan Lal Sharma during his tenure of Directorship.

The Company appointed a new Independent Director on the Board of the Company during the Financial Year 2021-22. Mr. Sandeep Kumar Jain (DIN: 01116047) was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years with effect from 12th August, 2021 to hold office upto 11th August, 2026 and the same was approved by shareholders at the 41st AGM held on 25th September, 2021.

Further, Mr. Vinod Kumar Ladia (DIN: 00168257), Chairman and Whole Time Director resigned with effect from 10th August, 2021. The Board of Directors in the meeting held on 12th August, 2021 placed on record the appreciation for the leadership and the valuable contribution made by Mr. Vinod Kumar Ladia during his association with the Company. At the unanimous request of the Company's Board of Directors, Mr. Vinod Kumar Ladia accepted to be designated as Chairman Emeritus and continue his invaluable association with the Company.

The disclosure in this regard is available on the website of the Company at <http://www.srsl.in/#> (Company Profile -> Investor/ Shareholders -> 2021-22)

(B) Key Managerial Personnel (KMP)

During the financial year 2021-22 Ms. Prinkle Talesara joined as Company Secretary & Compliance officer w.e.f. 23rd April, 2021.

11. MEETINGS OF THE BOARD

The Board of Directors met five times during the financial year 2021-22, i.e. 23rd April, 2021, 24th June, 2021, 12th August, 2021, 12th November, 2021 and 11th February, 2022. Frequency and quorum at these meetings and the intervening gap between any two meetings were in conformity with the provisions of the Act, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards issued by The Institute of Company Secretaries of India ("Secretarial Standards"). The Secretarial Standards are adhered to by the Company. For further details, please refer report on Corporate Governance annexed to this report as Annexure-6.

12. COMMITTEES OF BOARD OF DIRECTORS

As on 31st March, 2022, the Board have 4 Committees, namely, the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and the Sub-Committee. A detailed note on the Composition of the Board and its Committees and other relevant details are provided in the report on Corporate Governance annexed to this report as Annexure-6.

13. FORMAL ANNUAL EVALUATION

The evaluation / assessment of the Directors and KMPs of the Company is to be conducted on an annual basis to satisfy the requirements of the Act and Listing Regulations. The Company is having a Policy for performance evaluation of Independent Directors, Board, Committees and other Individual Directors which includes criteria for their performance evaluation. The said criteria provide certain parameters like Attendance, Availability, Time spent, Preparedness, Active participation, Analysis, Objective discussions, Probing and testing assumptions, Industry and Business knowledge, Functional expertise, Corporate Governance, Development of Strategy and Long Term Plans, Inputs in strength area, Director's obligation and discharge of responsibilities, Quality and value of contributions and Relationship with other Board Members etc. which is in compliance with applicable laws, regulations and guidelines.

During the year under review, a separate mechanism was carried out by the Board, internally at the time of meeting itself, for formal annual evaluation of its own performance and that of its Committee and individual directors, including the Chairman of the Board, on parameters as mentioned above. Performance evaluation of Independent Directors was carried out by the entire Board and of all the Directors individually was also carried out by Nomination and Remuneration Committee in their meeting. Performance evaluation of the Chairman and non-independent directors was also carried out in the Meeting of Independent Directors separately.

14. NOMINATION AND REMUNERATION POLICY

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters, etc. is available on the website of the Company at http://www.srsl.in/documents/NOMINATION_AND_REMUNERATION_POLICY.pdf

The policy briefly includes:-

- 1) Appointment/re-appointment Criteria and Qualifications of Director, KMPs, SMPs and other employees as may be decided by the Board of Directors
- 2) Term / Tenure of Director, KMPs, SMPs
- 3) Familiarization programme for Independent Directors
- 4) Criteria for evaluation
- 5) Removal and Retirement of Directors, KMPs, SMPs
- 6) Provisions relating to remuneration of Director, KMPs, SMPs
- 7) Policy on Board Diversity

There is no change in the Policy during the Financial Year 2021-2022.

15. DECLARATION BY INDEPENDENT DIRECTOR

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Regulation 16 (b) of Listing Regulations, compliance of code of conduct as per Schedule IV of the Act and the Independent Directors are independent of the management. As mandated by the Ministry of Corporate Affairs, they have also completed their registration on the databank of Independent Directors created by MCA and Indian Institute of Corporate Affairs.

16. AUDITORS AND AUDIT REPORTS

I. Statutory Auditors and Audit Report

M/s. Doogar & Associates, Chartered Accountants (Firm Registration No.000561N), New Delhi were appointed as the Statutory Auditors of the Company to hold office for a term of five years from the conclusion of the 37th AGM of the Company held on 26th September, 2017, till the conclusion of the 42nd AGM. Accordingly, the tenure is being concluded in the AGM to be held on 09th September, 2022 in the calendar year 2022. In view of expiration of their tenure, it was recommended by the Audit Committee for re-appointment of M/s. Doogar & Associates, Chartered Accountants for second consecutive term of five years.

Based on the recommendation of the Audit Committee, the Board has approved the re-appointment of M/s. Doogar & Associates for the second consecutive term of five years from the conclusion of the 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting of the Company to be held in year 2027 subject to approval of shareholders of the Company.

As required under the provisions of Section 139(1) of the Companies Act, 2013, the company has obtained a written consent and certificate from the above mentioned Auditor to the effect that they confirm with the limits specified in the said Section and they have also given their peer review certificate and eligibility certificate stating that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013.

The Audit Report on the Financial Statements for the financial year 2021-22 does not contain any qualifications, reservations or adverse remarks. The observations made by the Auditors are self explanatory and have been dealt with, in Independent Audit Report. The Notes to Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

II. Cost Auditors and Cost Audit Report

In terms of Section 148 of the Act read with rule 3 of the Companies (Cost Records and Audit) Rules, 2014 the Company is required to maintain cost records for Textile business. The accounts and records are made and maintained accordingly by the Company.

M/s. K.G. Goyal & Co., Cost Accountants, (Firm Registration No.000017), Jaipur were appointed as Cost Auditors of the Company for conducting the Audit of cost records maintained by the Company for the financial year 2021-22. The Cost Audit Report for the financial year 2021-22 does not contain any qualification, reservation or adverse remark.

Further, the Board of Directors has approved the re-appointment of M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017), Jaipur as Cost Auditors for conducting the Audit of the cost records maintained by the Company for the financial year 2022-23. The Remuneration proposed to be paid to them requires ratification by the shareholders of the Company in this AGM. In view of this, the Board of Directors recommends a remuneration of Rs. 30,000/- (Rupees Thirty Thousand Only) plus applicable GST and reimbursement of traveling expenses and out of pocket expenses (at actual) to the Cost Auditors to be ratified by the shareholders at the 42nd AGM.

III. Secretarial Auditors and Secretarial Audit Report

M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur were appointed as Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2021-22. The Secretarial Audit Report for the financial year 2021-22, in form MR-3, does not contain any qualification, reservation or adverse remark and is annexed to this report as Annexure-1. Further, the Company has undertaken an audit for the financial year 2021-22 under Regulation 24A of Listing Regulations. The Annual Secretarial Compliance Report has been submitted to the stock exchange within prescribed timelines for the financial year 2021-22.

Further, the Board of Directors has approved the re-appointment of M/s. V. M. & Associates, Company Secretaries (Firm Registration No. P1984RJ039200), Jaipur as Secretarial Auditors for conducting the Secretarial Audit of the Company for the financial year 2022-23.

IV. Internal Auditors and Internal Audit Report

M/s. K.G. Bhatia & Co., Chartered Accountants (Firm Registration No. 010370C), Udaipur were appointed as Internal Auditors of the Company for conducting Internal Audit for the financial year 2021-22. The Internal Audit Reports were received quarterly by the Company and the same were reviewed by the Audit Committee and Board of Directors for each quarter.

Further, the Board of Directors has approved the re-appointment of M/s. K.G. Bhatia & Co., Chartered Accountants (Firm Registration No.-010370C), Udaipur as Internal Auditors for conducting the Internal Audit of the Company for the financial year 2022-23.

17. REPORTING OF FRAUDS BY AUDITORS

During the period under review, neither the internal auditors nor statutory auditors nor the secretarial auditors nor cost auditors reported to the Audit Committee, under section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

18. RISK MANAGEMENT POLICY

The Company operates in conditions where economic, environment and social risk are inherent to its businesses. In managing risk, it is the Company's practice to take advantage of potential opportunities while managing potential adverse effects. In line with Listing Regulations and as per the requirement of Section 134(3)(n) of the Act read with the rules made thereunder, as amended, the Board has already framed a comprehensive Risk Management Policy to oversee the mitigation plan including identification of element of risk, for the risk faced by the company, which in the opinion of the Board may threaten the existence of the Company. The object of the policy is to make an effective risk management system to ensure the long term viability of the company's business operations. During the year under review, the same was reviewed half yearly by Audit Committee of the Company. The risk management plan comprised of the following 5 steps :

- i. Identification of risk
- ii. Defining the risk in detail
- iii. Analyzing the risk
- iv. Evaluating various aspects linked to the risk
- v. Treatment of risk

19. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the directors and employees are free to report violations of law, rules, regulations or unethical conduct, actual or suspected fraud to their immediate supervisor or provide direct access to the Chairman of the Audit Committee in exceptional cases or such other persons as may be notified by the Board. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The Whistle Blower Policy of the Company is also available on the website of the Company at <http://srsl.in/documents/WHISTLE-BLOWER-POLICY.pdf> . During the year, no whistle blower event was reported and the mechanism is functioning well. Further, no personnel has been denied access to the Audit Committee. The details of the whistle blower policy/vigil mechanism is given in the report on Corporate Governance annexed to this report as Annexure-6.

20. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has constituted Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place. The following is a summary of Sexual Harassment Complaints received and disposed off during the financial year 2021-22 :-

- a. Number of Complaints pending at the beginning of the year : **NIL**
- b. Number of Complaints received during the year : **NIL**
- c. Number of Complaints disposed off during the year : **NA**
- d. Number of Complaints pending at the end of the year : **NIL**

The details of Sexual Harassment Complaints received and disposed off during the financial year 2021-22 is given in the report on Corporate Governance annexed to this report as Annexure-6.

21. SOCIAL OBLIGATIONS

The provisions of Section 135 of the Act relating to Corporate Social Responsibility are not applicable on the Company. However, the Company has generally taken corporate social responsibility initiatives. The Company made efforts for the betterment and upliftment of the living standards of Scheduled Castes and Scheduled Tribes dwelling in the adjoining areas of Dungarpur by providing them training and employment.

22. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Company has placed a copy of the Annual Return as on 31st March, 2022 on the Company's website on <http://srsl.in/documents/MGT-7-%20Annual%20Return.pdf> By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Contracts/ arrangements/ transactions that were entered by the Company during the financial year 2021-22 are done on Arm's length basis. Disclosure of particulars of contract/arrangements entered into by the company with Related Parties referred to in sub-section (1) of section 188 of the Act (in Form No. AOC -2) is annexed to this report as Annexure-2. The related party transaction policy is available on the website of the company at the link <http://srsl.in/documents/Signed%20RPT%20Policy.pdf>

24. PARTICULARS OF THE EMPLOYEES

Pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a detailed statement is annexed to this report as Annexure-3.

Further, with respect to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the names of the top ten employees in terms of remuneration drawn is listed below :

Sl. No	Name of the Employee	Designation of the Employee	Remuneration received (Rs.)	Nature of employment whether contractual or otherwise	Qualifications and experience of the employee	Date of Commencement of employment	The age of such employees (years) as on 31 st March 2022	The last employment held by such employee before joining the company	The % of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above
1.	Mr. Vikas Ladia	Managing Director and Chief Executive Officer	55,33,385	Permanent	B. Tech in Computer Engineering from Manipal Institute of Technology, Manipal Exp- 27 Years	15/01/2001	48 Years	-	3.83%
2.	Mr. Anubhav Ladia	Whole Time Director	36,11,010	Permanent	B. Com (H), FCA Exp- 20 Years	01/09/2005	45 Years	-	2.13%
3.	Mr. Suresh Chandra Joshi	Vice President (PA & IR)	12,88,854	Permanent	M.A. (Economics), P.G. Diploma in Labour Law, Labour Welfare and Personnel Management & L.L.B. Exp.- 35 years	18/06/2015	60 Years	RSWM Ltd.	0.00
4.	Mr. Vinod Kumar Ladia	Chairman and Whole Time Director	10,82,811	Permanent	B. E.(Textile Engineering), MBA-IIM, Ahmedabad Exp- 54 Years	15/11/1979	76 Years	J. K. Synthetics Limited (1968-1979)	6.48%
5.	Mr. Raj Kumar Mahasani	Vice President (Marketing)	9,29,051	Permanent	M.A. & P.G. Diploma in Sales & Marketing Exp.- 32 years	22/01/1990	58 Years	-	0.00

6.	Mr. Sanjay Kulshrestha	Vice President (Technical)	8,20,195	Permanent	Diploma in Textile Technology Exp.- 25 years	01/07/2021	58 Years	Siddartha Super Spinning Mill	0.00
7.	Mr. Kameshwar Roy	Chief Engineer	7,47,852	Permanent	Polytechnic Diploma in Mechanical Exp.- 34 years	01/08/2011	56 Years	Punsumi India Ltd. Bhiwadi	0.00
8.	Mr.Prahlad Bilochi	CFO-AVP (Accounts)	7,05,417	Permanent	B.Com Exp.- 36 Years	08/10/1986	57 Years	-	0.00
9.	Mr. Narayan Lal Malpani	G.M.(Materi als)	6,64,176	Permanent	B.Com Exp.- 39 Years	26/06/2017	61 years	Shayona Cement Corp, Malavi (Central Africa)	0.00
10.	Mrs. Monika Ladia #	Special Executive	6,46,464	Permanent	B.E. (Chemical) From Sikkim Manipal University Exp- 24 Years	01/04/1998	49 Years	-	0.12

*None of the aforesaid employee (except Mrs. Monika Ladia) is a relative of any director or manager of the Company.

Mrs. Monika Ladia is a wife of Mr. Vikas Ladia (Managing Director and CEO) and Sister in Law of Mr. Anubhav Ladia (Whole Time Director) of the company.

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

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

Pursuant to Section 134 (3)(m) of the Act read with rule 8(3) of The Companies (Accounts) Rules, 2014, relevant details of conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed to this report as Annexure -4.

26. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the operations of the company are reviewed in detail in the Management Discussion and Analysis Report which is annexed to this report as Annexure -5.

27. CORPORATE GOVERNANCE

Your Company is compliant with the norms on Corporate Governance as provided in the Listing Regulations. The Report on Corporate Governance for financial year 2021-22 is annexed to this report as Annexure -6 along-with the certificate on compliance of conditions of corporate governance issued by M/s. Doogar & Associates, Statutory Auditor.

28. OTHER COMPLIANCES

28.1 Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report: The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. The Company is complying with all the safety measures required as per

the detailed guidelines issued by the government authorities from time to time. As the situation is continuously evolving, the eventual impact may be different from the estimates made as on the date of approval of these financial statements. The Company will assess any material changes to future economic conditions also.

Further, Bank of Baroda had filed an application under section 7 of Insolvency and Bankruptcy Code, 2016 and the same was intimated to the Company on 4th May, 2022.

Also, the Insolvency and Bankruptcy Board of India (“IBBI”) on 4th April, 2021, notified the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021 (“Ordinance”) that introduces the Pre-packaged Insolvency Resolution Process (“PPIRP”) for Micro, Small and Medium Entities (“MSMEs”). The Company has been analysing various aspects of the scheme since it came into effect specially considering its MSME status. The matter has been under consideration for over 6 months with its various stakeholders. Furthermore, the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2021 allows a Company to make an application to National Company Law Tribunal (NCLT) under pre-packaged insolvency resolution process. The Board at its meeting held on 7th May, 2022 approved the filing of application under subject to an approval of Members. The Members approved the same vide Postal Ballot Notice dated 7th May, 2022 which was passed on 10th June, 2022. The application was filed with NCLT on 26th July, 2022.

28.2 Significant and material orders: Please refer note 40 to the Financial Statements.

28.3 Details in respect of adequacy of internal financial controls: For detailed discussion with reference to adequacy of internal financial controls, please refer to Management Discussion and Analysis Report annexed to this report as Annexure-5.

28.4 Disclosure of Accounting Treatment in preparation of Financial Statements: The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS). The Ind AS are prescribed under section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

28.5 Details of Subsidiary/ Joint Ventures / Associate Companies / and its Performance: Your company has no Subsidiary / Joint Ventures / Associate Companies.

29. DIRECTORS’ RESPONSIBILITY STATEMENT

Your Directors hereby confirm 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 and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the 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.

30. Secretarial Standards

The Company has adhered to applicable Secretarial Standards i.e. SS-1 and SS-2, relating to ‘Meeting of the Board of Directors’ and ‘General Meetings’.

31. CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

Bank of Baroda, a financial creditor, had filed an application under Section 7 of Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal – Jaipur Bench (“NCLT, Jaipur”) alleging default in payment of their Bank Loans and the same was intimated to the Company on 4th May, 2022. The petition is yet to be admitted by the NCLT.

Furthermore, the Company, a Corporate Debtor, has filed an application under Section 54A read with section 10 of the Insolvency and Bankruptcy Code, 2016 with Hon’ble National Company Law Tribunal- Jaipur Bench (NCLT) under PPIRP Scheme with the approval of 79.12 % of Financial Creditors. Please refer Point No. 28.1 of the Boards Report for detailed explanation.

32. OTHER DISCLOSURES

Other disclosures with respect to Board’s Report as required under the Act and the Rules notified thereunder are either NIL or NOT APPLICABLE.

33. ACKNOWLEDGMENT

Your Directors wish to take this opportunity to place on record their gratitude and sincere appreciation for the timely and valuable assistance and support received from Bankers, Auditors, Customers, Suppliers, Share Transfer Agent and Regulatory Authorities and other stakeholders of the Company.

The Directors place on record their deep appreciation of the dedication of your Company’s employees at all levels and look forward to their continued support in the future as well. Your Directors are thankful to the shareholders for their continued patronage.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 02, 2022
Place : Udaipur
Registered Office : 27-A, First Floor, Meera Nagar,
Housing Board Colony,
Udaipur - 313001
Rajasthan

Sd/-
Vikas Ladia
(Managing Director and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE-1

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,
The Members,
Shree Rajasthan Syntex Ltd
27-A, First Floor, Meera Nagar
Housing Board Colony
Udaipur – 313 001 (Rajasthan)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Rajasthan Syntex Ltd** (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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 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, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (repealed w.e.f. 13th August, 2021) (**Not applicable to the Company during the Audit Period**);
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (notified on 13th August, 2021) (**Not applicable to the Company during the Audit Period**);

- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (repealed w.e.f. 9th August, 2021) **(Not applicable to the Company during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (notified on 9th August, 2021) **(Not applicable to the Company during the Audit Period);**
 - (h) 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;
 - (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (repealed w.e.f. 10th June, 2021) **(Not applicable to the Company during the Audit Period);**
 - (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (notified on 10th June, 2021) **(Not applicable to the Company during the Audit Period);**
 - (k) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);** and
 - (l) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to 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;
- ii. The Listing Agreement entered into by the Company with BSE Limited;

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further, independent director(s) were present at Board Meetings which were called at shorter notice to transact business which were considered urgent by the management in compliance of Section 173(3) of the Act. 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.

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

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:

- a) *Received an order for waiver of penalties imposed by BSE Limited (Stock Exchange) for the alleged non compliances under Regulation 17(1), 18(1), 19(1) and 19(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- b) *Suo Moto filed an application under Section 460 of the Act for Condonation of delay in filing of form MGT-14 and the same has been condoned by the Central Government, New Delhi and no penalty has been imposed for the same; and*
- c) *Filed an application to BSE Limited for re-classification of shareholding of certain persons/entities belonging to the promoter group from the category of 'Promoter and Promoter Group' to the category of 'Public'.*

NOTES:

1. A petition has been filed against company under Section 7 of The Insolvency And Bankruptcy Code, 2016 (IBC) by Bank of Baroda alleging default in the payment of their bank loans;
2. Consequently, Company has initiated the process for seeking the approval of shareholders for filing of an application to National Company law Tribunal (NCLT) under Pre Packaged Insolvency Resolution Process under Section 54A and other applicable provisions read with Section 10 of the IBC.

Place: Jaipur

Date: May 25, 2022

UDIN: F003355D000382789

**For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581 / 2019**

**CS Manoj Maheshwari
Partner
Membership no.: FCS 3355
C P No.: 1971**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure A

To,
The Members,
Shree Rajasthan Syntex Ltd
27-A, First Floor, Meera Nagar
Housing Board Colony
Udaipur – 313 001 (Rajasthan)

Our report of even date 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
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 management. Our examination was limited to the verification of 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.

Place: Jaipur
Date: May 25, 2022
UDIN: F003355D000382789

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581 / 2019

CS Manoj Maheshwari
Partner
Membership no.: FCS 3355
C P No.: 1971

ANNEXURE- 2

Form No. AOC- 2

CONTRACTS & ARRANGEMENTS WITH THE RELATED PARTIES

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts /arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into by the company during the financial year ended 31st March, 2022 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Particulars	Details
Name(s) of the related party	Vinod Kumar Ladia
Nature of Relationship	Relative of Directors of the Company Mr. Vinod Kumar Ladia is father of Mr. Vikas Ladia and Mr. Anubhav Ladia
Nature of contracts/ arrangements/ transactions	Such related party's appointment to any office or place of profit in the company
Duration of the contracts / arrangements / transactions	Regular
Salient terms of the contracts or arrangements or transactions including the value, if any	Mr. Vinod Kumar Ladia has been appointed as Chairman Emeritus as being the founding member of the Company and on the basis of his vast experience, knowledge and wisdom in the Textile Industry at an Honorarium of Rs. 1 Lakh per month along with Other Facilities not exceeding Rs. 1.25 Lakh per month
Date(s) of approval by the Board	August 12, 2021
Amount paid as advances, if any	NIL

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 02, 2022
Place : Udaipur
Registered Office : 27-A, First Floor, Meera Nagar,
Housing Board Colony,
Udaipur - 313001
Rajasthan

Sd/- Vikas Ladia (Managing Director and Chief Executive Officer) DIN: 00256289	Sd/- Anubhav Ladia (Whole Time Director) DIN: 00168312
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ANNEXURE- 3

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

Details under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31st March, 2022.

- i. the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year -

Directors-

1. Mr. Vinod Kumar Ladia (Chairman & WTD)#	:	31.65: 1
2. Mr. Vikas Ladia (MD & CEO)	:	24.95 : 1
3. Mr. Anubhav Ladia (WTD)	:	18.87 : 1

#Vinod Kumar Ladia (Chairman and WTD) ceased with effect from 10th August, 2022

*Other Directors receives Sitting Fees only

- ii. the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

1) Mr. Vinod Kumar Ladia (Chairman & WTD)	:	0.00
2) Mr. Vikas Ladia (MD & CEO)	:	0.00
3) Mr. Anubhav Ladia (WTD)	:	0.00
4) Mr. Prahlad Bilochi (CFO)	:	0.00
5) Ms. Prinkle Talesara (CS)	:	0.00

*Other Directors receives Sitting Fees only

- iii. the percentage increase in the median remuneration of employees in the financial year : 0%

- iv. the number of permanent employees on the rolls of Company : 257

- v. average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

-Average increase in the remuneration of all employees excluding KMPs : 0.37%

-Average increase in the remuneration of KMPs: 0%

-Justification: KMP salary increments are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.

It is be and hereby affirmed that the remuneration is as per the remuneration policy of the Company.

Note: Employee data as on 31.03.2022 has been taken for consideration for the purpose of calculation.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date	: August 02, 2022	Sd/-	Sd/-
Place	: Udaipur	Vikas Ladia	Anubhav Ladia
Registered Office	: 27-A, First Floor, Meera Nagar, Housing Board Colony, Udaipur - 313001 Rajasthan	(Managing Director and Chief Executive Officer)	(Whole Time Director)
		DIN: 00256289	DIN: 00168312

ANNEXURE- 4

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

A. CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy; In order to conserve energy, the company has taken various steps for efficient consumption of energy like use of synthetic tapes, light weight bobbins, soft starters, energy efficient motors, energy saving spindles etc.

(ii) the steps taken by the company for utilising alternate sources of energy; The Company is exploring renewal resources like bio fuel and is in active discussion with experts to start the Thermal Plant on such fuel.

(iii) the capital investment on energy conservation equipments; The Company has in the past made substantial investment on energy conservation while procurement of its equipments to ensure that the most effective energy cost is charged to the company. However, no such investment was made during the year.

B. TECHNOLOGY ABSORPTION

i. the efforts made towards technology absorption; Company has absorbed the technique of cleaning the yarn electronically and that of Splicing instead of knotting in finishing department. It has adopted sturdy drafting in speed frame and also replaced open type Flyers with closed type for achievement of higher speed in existing speed frames.

ii. the benefits derived like product improvement, cost reduction, product development or import substitution as result of the above: Company achieved higher productivity and improved yarn quality.

iii. In case of imported technology (imported during last 3 years reckoned from the beginning of the financial years) :
N/A

iv. Expenditure on R & D:

		(Rs. in Lakhs)
1. Capital	:	0.00
2. Recurring	:	12.21
3. Total	:	12.21
4. Total R & D Expenditure as a % of total turnover	:	0.24 %

C. FOREIGN EXCHANGE EARNINGS & OUTGO.

The Company has not made any exports during the year.

Particulars	2021-22 (Rs. in Lakhs)	2020-21 (Rs. in Lakhs)
1. Total foreign exchange used	0.00	0.00
2. Total foreign exchange earned	0.00	0.00

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 02, 2022
Place : Udaipur
Registered Office : 27-A, First Floor, Meera Nagar,
Housing Board Colony,
Udaipur - 313001
Rajasthan

Sd/-
Vikas Ladia
(Managing Director and
Chief Executive Officer)
DIN: 00256289

Sd/-
Anubhav Ladia
(Whole Time Director)
DIN: 00168312

ANNEXURE- 5

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The management of Shree Rajasthan Syntex Ltd. is presenting the Management Discussion and Analysis Report covering the operations and financial performance of the Company for the financial year 2021-22. The core business of the Company is manufacturing and marketing of synthetic blended yarn, cotton yarn and polypropylene multifilament yarn.

➤ BUSINESS OVERVIEW

The Company is one of the important players in man made fibre spinning with following capacity:

Units	Location	Products	Capacity
Syntex - Division	Simalwara Road Dungarpur	Synthetic Yarn	27,744 SPINDLES
Texchem - Division	Simalwara Road Dungarpur	(i) Synthetic Yarn (ii) Polypropylene Multi filament Yarn	31,488 SPINDLES 2,000 TPA
Polycot - Division	Simalwara Road Dungarpur	Cotton yarn	18,048 SPINDLES

➤ INDUSTRY STRUCTURE AND DEVELOPMENTS

- The textile industry is one of the most significant industries for the Indian economy. The industry is one of the largest employers in India, employing more than 45 million people directly and 60 million people indirectly.
- Due to its fragmented nature, the textile industry employs more in the unorganized sector especially in the rural areas and hence, it is of vital importance.
- The textile industry can be segmented into Natural Fibres and Man Made Fibres (MMFs) based on the use of basic raw material, cotton or crude derivative respectively. Among the various MMF product in the synthetic and cellulosic segments, polyester and viscose forms about 80% of total domestic consumption. Globally man-made fibres is the most dominantly consumed textile fibre.
- While the industry would face stiff competition from established players in the sector - China, Taiwan, South Korea, etc., increasing labour and manufacturing costs in these countries would give ample opportunities for Indian players. The Indian industry could attract global investments to produce high value-added MMF
- Apart from Covid induced demand disruption, the yarn sector is also witnessing a change in demand trend. Increasing popularity of synthetic textiles in India – in line with global trend – is expected to create structural changes in Indian yarn industry, which is dominated by cotton textiles.
- Realizing the importance of the textile industry to the Indian economy, the government undertakes various measures through multiple governing bodies viz. Ministry of Textile, Ministry of Finance, Ministry of Rural Development, and Ministry of Human Resource Development. The government has allowed 100% FDI under the automatic route in the textile and clothing sector.
- Overall imports of man-made staple fibre (MMSF) have grown at a CAGR of 9%. MMF export stood at 4.8 billion in 2021. India stands 6th in exports of MMF textiles accounting 16% of share in global MMF textile market. (Source: <https://www.investindia.gov.in/sector/textiles-apparel/man-made-fibres>)
- The National Technical Textiles Mission was proposed in the Union Budget for 2020 -21. It will be active till 2023 – 24 with an estimated expense of Rs 1480 crore for the betterment of the textile industry.

➤ INDUSTRY OPPORTUNITIES

- The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand.
- Currently Indian yarn industry is dominated by cotton yarn. However, world over the usage of synthetic textile is gaining popularity due to the advantages it offers. Additionally, increasing cost of cotton, which results in increasing cost of cotton textiles, is also helping in the growth of synthetic yarn. Although cotton yarn would continue to hold the largest share in Indian yarn industry, its domination is expected to diminish in the coming years.

3. Production linked Incentive (PLI) Scheme for Textiles is specially focused at high value and expanding MMF and Technical Textiles segments of Textiles Value Chain. Incentives worth Rs. 10,683 crore will be provided over five years for manufacturing notified products of MMF Apparel, MMF Fabrics and segments/products of

Technical Textiles in India. This will give a major push to growing high value MMF segment which will complement the efforts of cotton and other natural fiber-based textiles industry in generating new opportunities for employment and trade. It will help create 50-60 global champion of exports.

4. The Skill India and Make-in India programs of Central government headed by Prime Minister Shri Narendra Modi is helping the industry in getting required skilled manpower and good market for textile products. It is an opportunity for the textile industry to upgrade their technology and implement ERP to streamline supply chain and enhance customer relations management activities.
5. The structural reform of The Goods and Services Tax (GST) is expected to provide a boost to the economic growth and investments in the long run.

➤ **INDUSTRIAL CHALLENGES**

Even though India's textile industry is a huge contributor in terms of exports, industrial output and employment, like China's, India's domestic industry is not without its challenges.

1. **Higher input costs compared to competing nations**

India has one of the highest costs of capital compared to most competing countries which affects the cost of production and thus its competitiveness. Also, the power cost in India is much higher compared to competing nations.

2. **Low technology level**

The Textile Industry suffers from the use of low and outdated technologies. In general, spending on R&D, product development etc. by textile companies in India is quite low.

3. **Cyclical ups and downs & Demand adversities**

There has never been a continuous positive growth rate in textiles products for a longer time periods. Some times it was treated as a cyclical ups and downs, some times the demand adversities have really dented the growth.

4. **High debt servicing cost:**

The industry requires to give high debt servicing cost and with the lending rates in India in the range of 12 to 14%, they are significantly higher in comparison to the competing countries like China. The complete textile chain is not covered in the TUF Scheme and thus a large capital investment needs to be made at a very high rate of interest.

➤ **RISK AND CONCERNS**

- a. **Raw material availability**

Though India is having sufficient availability of raw materials, namely, cotton, man made fibres and silk but factors such as low rain fall in the cotton growing areas, increase in crude oil prices in the international markets for basic raw materials of man made fibres and increase in logistic cost may effect the availability of raw material and competitiveness of the industry.

- b. **Power availability**

Most of the textile mills in India, particularly in north and western parts are dependent on power supply by self-generation using coal as fuel due to lower availability of power from the government. Because of increase in cost of coal the cost of generation of power is increasing which may affect the competitiveness of the Industry.

- c. **Currency risk**

Since the textile industry has a major portion of its revenue from exports, Indian rupee relationship with foreign currencies such as US Dollar is important. The industry hedges currency risks by forward currency cover against sale contracts. Hence movement in foreign currency vis-à-vis rupee has direct impact on exports realization and import cost. The volatile movement of Rupee against the US Dollar is a serious concern for the industry.

d. Government Policies

The Textile Industry is highly dependent on the Government Policies on various matters. Frequent changes in the taxation policies bring instability in the industry.

➤ **PRODUCT WISE PERFORMANCE OF THE COMPANY**

Chart given below gives the break up of sales between the domestics and export markets for the last 3 years:

(Rs. In Lakhs)			
Revenue from operations	2021-22	2020-21	2019-20
Sale of Product			
- Domestic	2127.44	1855.81	5661.51
- Export	NIL	NIL	69.58
Sale of Service			
- Income from Job Work	2950.01	1807.28	1201.58

The current yarn portfolio of SRSL can be classified into 3 main categories-Grey yarn, dyed yarn and PPMF yarn.

- ❖ **Grey Yarn:** Grey yarn is produced using blends of different synthetic fibre such as polyester/viscose, 100% viscose yarn, 100% polyester fibre yarn and pure cotton. These qualities are produced in Shree Rajasthan Texchem division and Shree Rajasthan Polycot division of the Company. The Company has niche markets for 100% viscose fibre yarn. Specialty fibre yarns were developed for industrial and home textile applications.
- ❖ **Dyed yarns:** Dyed yarn is produced at Syntex division of the Company. These yarns are relatively higher value added products and made according to customers specifications of blend, counts and shades. The Company has speciality in producing home textile dyed yarns for end use such as carpets, tapestry and upholstery. Further the Company has now developed melange yarns for weaving and knitting applications.
- ❖ **PPMF Yarn:** Polypropylene multi filament yarn is produced at Shree Rajasthan Texchem division of the company at Dungarpur; POY and texturised yarn is produced for knitting, socks and furnishing applications. BCF yarn is produced for carpet applications.

➤ **OPERATIONS**

During the year under review, the Company's operations continued to be affected due to non availability of working capital for operations resulting in lower capacity utilisation and constrained margins due to high cost of Raw Material at uneconomical buying. Furthermore, the Company has not been able to undertake necessary regular capital expenditure as per industry norms for proper maintenance and upkeep of plant and equipment due to paucity of funds.

The Company produced 5824.76 M.T. of yarn valuing Rs. 5044.56 Lakhs during the period under review as against 5076.36 M.T. of yarn valuing Rs. 3,550.48 Lakhs produced during the last year. During the year, there were no exports.

The Company's financial highlights is summarized below:

Particulars	(Rs. in Lakhs)	
	Financial Year	
	March 31, 2022	March 31, 2021
Revenue from operations	5,078	3,663
Other Income	17	159
Total Revenue (A)	5,095	3,822
Expenses:-		
Cost of materials consumed	1,102	1,019
Purchase of Stock-in-trade	715	234
Changes in inventories of finished goods, Work in progress and stock-in-trade	33	113
Employees benefit expenses	1,152	918
Finance Costs	2,771	1,818
Depreciation and Amortization expenses	437	439
Other Expenses	2,527	1,696
Total Expenses (B)	8,737	6,237

Particulars	Financial Year	
	March 31, 2022	March 31, 2021
Profit/(loss) before exceptional items and tax (A) - (B)	(3,642)	(2,415)
Exceptional items (gain)	-	-
Profit / (Loss) before tax	(3,642)	(2,415)
Less : Tax expense	-	-
Profit / (Loss) for the period	(3,642)	(2,415)
Other comprehensive Income (Net of Tax)	6	60
Total Comprehensive Income for the period (Comprising profit after tax and other comprehensive income after tax for the period)	(3,636)	(2,355)

➤ **OUTLOOK**

Yarn is an intermediary product, and its demand is dependent on the demand sentiment prevailing in the downstream industries, namely apparels and home textiles. In the case of Indian yarn industry, apart from demand from downstream industries, export sentiment too has a bearing. This is because India is a major exporter of yarn, supplying cotton yarn to countries like China and Bangladesh. This export forms an integral part of the domestic yarn industry, contributing to its steady growth. The Covid pandemic and the subsequent lockdowns have impacted both the demand avenues of Indian yarn industry, dealing to a significant blow to the industry.

➤ **DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. HRD activities are taken in the Company involving positive approach to develop employees to take care of productivity, quality and customer needs. The Company has to make constant efforts to manage labour shortages. To develop skilled labour, training facilities are provided to the employees in house or by deputing them to the machinery suppliers and to training institutes for specific training.

The Company has well developed management information system giving daily, monthly and periodical information to the different levels of management. Such reports are being analyzed and effective steps are taken to control the efficiency, utilization, productivity and quality in the Company. As on 31st March, 2022, the employee strength of the Company stood at 257 while on 1st April, 2021 it was 274.

➤ **KEY FINANCIAL RATIOS AND DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

Particulars	Financial Year		Change in %	Reason (If more than 25% Change)
	2021-22	2020-21		
Current Ratio	0.04	0.06	(31.44)	Current assets decreased due to higher provisions and current liabilities increased on account of higher provisions towards financial expenses
Debt Equity Ratio	-	-	-	Ratio is not calculated as the equity value is negative
Debt Service Coverage Ratio	-	-	-	Company is not generating cash to service debts
Return on Equity	-	-	-	Shareholder's equity is negative due to recurring losses in the company
Inventory Turnover Ratio	8.80	4.63	89.93	Due to lower inventory levels
Trade receivable (Sales) Turnover Ratio	31.82	26.61	19.58	NA
Trade receivable (Job work) Turnover Ratio	38.52	64.97	(40.71)	Due to higher receivables at the year end.
Trade payable Turnover Ratio	2.49	1.61	55.23	Due to repayment of creditors
Net Capital Turnover ratio	(0.32)	(0.35)	-9.73	NA
Net Profit Ratio	(71.75)	65.91	8.85	NA
Return on Capital employed	-	-	-	Ratio is not calculated as the equity value is negative
Return on Investment	-	-	-	No Investment by the Company

➤ **RETURN ON NET WORTH**

The Company has negative Return on Net worth in both current and previous year due to negative Total Comprehensive Income.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system commensurate with its size and nature of business. The internal control systems are complemented by various Management Information System (MIS) reports covering all areas. The management reviews and strengthens the controls periodically.

Apart from self-monitoring of the internal controls, there is a Chartered Accountant firm appointed to conduct internal audit of the Company's operations as approved by the Audit Committee. This firm presents their important observations to the Audit Committee that is chaired by an Independent Director. The internal auditors provide a reassurance to the affirmation given by the Management that the control systems are effective, operational and adequate.

The Audit Committee takes due cognizance of the observations made by the auditors and gives their suggestions for improvement. The suggestions of the Audit Committee further ensure the quality and adequacy of the control systems.

The Company has appointed internal auditors for all the 4 units. The internal control ensures that all assets were safeguarded and protected against loss through unauthorized use or disposition and transactions were authorized, recorded noticed and reported correctly. While operating managers ensure compliance with their areas, internal auditors carry out audit test on randomly selected samples and report on non-compliance or weakness if any through internal audit reports of the respective unit/areas. These reports are reviewed by the management and then by Audit Committee of the Board for follow up action.

A report of Auditors pursuant to Sec 143(3)(i) of Companies Act, 2013 certifying the adequacy of Internal Financial Control is annexed with the Auditor's Report.

➤ **CAUTIONARY STATEMENT**

Statements in the Management Discussions and Analysis report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable security laws and regulation. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic conditions affecting demand and supply and price conditions in domestic and overseas market in which the company operates, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factor.

**For and on behalf of the Board of Directors
For Shree Rajasthan Syntex Ltd.**

Date : August 02, 2022
Place : Udaipur
Registered Office : 27-A, First Floor, Meera Nagar,
Housing Board Colony,
Udaipur - 313001
Rajasthan

Sd/- Vikas Ladia (Managing Director and Chief Executive Officer) DIN: 00256289	Sd/- Anubhav Ladia (Whole Time Director) DIN: 00168312
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ANNEXURE 6

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

The Company believes that Corporate governance provides a structure that works for the benefit of everyone concerned, by ensuring that the enterprise adheres to ethical standards, laws and accepted best practices. It imbibes the basic business ethics and values that need to be adhered to in letter and spirit. We believe that a transparent, ethical and responsible corporate governance framework essentially emanates from the intrinsic will and passion for good governance ingrained in the culture of the organisation. The Company has sought to consistently focus on good corporate governance by increasing transparency and accountability to its Shareholders and other Stakeholders. The Company wishes to be a responsible partner in society, acting with integrity towards its shareholders, customers, employees and the Government. Therefore, we ensure highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI). We believe, Corporate Governance is just not a destination, but a journey to constantly improve sustainable value creation. It is an upward moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

➤ **Ethics / Governance Policies**

The Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. In this direction, the Company has, inter-alia, adopted the applicable codes and policies which act as enablers to carry out our duties in an ethical manner.

➤ **Observance of Secretarial Standards issued by the Institute of Company Secretaries of India**

The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, are adhered to by the Company.

2. Board of Directors

2.1 Composition and Category of Directors

The Company is having an optimum combination of Executive and Non-Executive Directors to maintain its independence and separate its function of governance and management. As on 31st March, 2022, the Company's Board comprise of five Directors as detailed below:-

a) **Two Executive Directors**

1. Mr. Vikas Ladia, Managing Director and Chief Executive Officer, Promoter Group
2. Mr. Anubhav Ladia, Whole Time Director, Promoter Group

b) **Three Non-Executive Directors**

1. Mr. Narendra Nath Agrawala, Independent Director
2. Mrs. Manju Datta, Independent Director
3. Mr. Sandeep Kumar Jain, Independent Director

3 (Three) out of 5 are Independent Directors, i.e. more than 50% of the Board strength which is as per the requirement of Listing Regulations. In the opinion of the Board, the Independent directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

Mr. Vikas Ladia and Mr. Anubhav Ladia are related to each other. Mr. Vikas Ladia being brother of Mr. Anubhav Ladia. Further, no other relationship exists between the Directors inter-se.

The Executive and Non-Executive Directors are appointed/ re-appointed by the Board and the shareholders, based on the recommendation of the Nomination and Remuneration Committee which considers their overall experience, expertise and industry knowledge. The Board as a part of its succession planning exercise, reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

The Directors do not have any pecuniary relationship with the Company except to the extent of the following:-

- a) **Executive Directors:** Remuneration as per their terms of appointment and reimbursement of expenses actually incurred for the business of the Company, within the approved terms and conditions.
- b) **Non-Executive Directors:** Reimbursement of expenses and payment of sitting fees for the Board / Committee meetings attended by them.

2.2 Attendance and Directorship held

The Board of Directors met five times during the financial year 2021-22, i.e. 23rd April, 2021, 24th June, 2021, 12th August, 2021, 12th November, 2021 and 11th February, 2022. Notices of the meetings and agenda along with explanatory notes, for each meeting were sent to the Directors within prescribed time. As mandated by Listing Regulations, none of the Directors are members of more than ten committees nor they are Chairman of more than five Committees across all listed entities in which they are directors. Further, all the Directors have confirmed that they do not serve as an Independent Director in more than seven listed entities or where they are Whole Time Director in any listed entity, then they do not serve as Independent Director in more than three listed entities.

Mr. Mohan Lal Sharma, Independent Director resigned from the post of directorship with effect from 13th August, 2021 due to personal reasons and other assignments. The detailed reason and confirmation by such director as required under Listing Regulations is available on the website of the Company at <http://srsl.in/documents/RESIGNATION%20OF%20ML%20SHARMA.pdf>

The details of categories of the Directors on the Board, their attendance at Board Meetings during the year and at last Annual General Meeting (“AGM”), and the number of Directorship, Committee memberships and Committee Chairmanship held by them in various other Companies and Names of such listed entities where the person is a director and category of directorship, are as under:-

Sr. No.	Name of the Director and DIN	Category	No. of Board Meetings entitled to attend	No. of Board Meetings Attended	Attendance at Last AGM	No. of other Director-ships ⁽¹⁾	No. of Committee Membership(s) ⁽¹⁾⁽²⁾	No. of Committee Chairmanship(s) ⁽¹⁾⁽²⁾	No. of shares held	Names of the listed entities where the person is a director and its category
1.	Mr. Vinod Kumar Ladia* (DIN: 00168257)	ED (Promoter)	2	2	Yes	6	-	-	8,87,868	-
2.	Mr. Vikas Ladia (DIN: 00256289)	ED (Promoter Group)	5	5	Yes	1	-	-	5,24,365	-
3.	Mr. Anubhav Ladia (DIN: 00168312)	ED (Promoter Group)	5	5	Yes	4	-	-	2,91,882	-
4.	Mr. Narendra Nath Agrawala (DIN: 00168211)	NEID	5	5	Yes	-	-	-	3,384	-
5.	Mrs. Manju Datta (DIN: 09010395)	NEID	5	5	No	-	-	-	0	-
6.	Mr. Sandeep Kumar Jain** (DIN: 01116047)	NEID	2	2	Yes	3	-	-	0	-
7.	Mr. Mohan Lal Sharma** (DIN: 00110601)	NEID	3	0	N.A.	-	-	-	0	-

Notes:-

- ◇ ED - Executive Director
- ◇ NEID - Non- Executive Independent Director

* Mr. Vinod Kumar Ladia ceased to be Chairman and Whole Time Director of the company with effect from 10th August, 2021.

**Mr. Sandeep Kumar Jain appointed as Director with effect from 12th August, 2021.

***Mr. Mohan Lal Sharma ceased to be Director of the company with effect from 13th August, 2021.

(1) Excluding Directorship / Membership in Committees of Shree Rajasthan Syntex Ltd.

(2) As required under Regulation 26 of the Listing Regulations, the disclosure includes membership / chairmanship of the Audit Committee and Stakeholders' Relationship Committee in other companies.

2.3 Familiarization Programme for Independent Directors

The objective of a familiarization programme is to ensure that the Non-Executive Directors are updated on the business environment and overall operations of the Company. This enables the Non-Executive Directors to make better informed decisions in the interest of the Company and its shareholders. In compliance with the requirements of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their roles, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc.

During the year, Familiarization programmes were conducted for Non-Executive Directors to update them about business related issues and new initiatives of the Company. At such meetings, the Executive Directors share point of views and leadership thought on relevant issues. An overview of the familiarization programme is placed on the Company's website on the below link <http://srsl.in/documents/Familiarisation%20Programme%202021-22.pdf>

2.4 Key Board qualifications, expertise and attributes

The Board of Directors of the Company comprises of persons with varied experiences in different areas who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its committees.

The following list summarizes the key skills, expertise and competence that the Board thinks is necessary for functioning in the context of the Company's business and sector and which in the opinion of the Board, its Members possess:

Sr. No	List of core skills/ expertise/ competencies	Vinod Kumar Ladia	Vikas Ladia	Anubhav Ladia	Narendra Nath Agrawala	Sandeep Kumar Jain	Manju Datta	Mohan Lal Sharma
1.	Leadership	√	√	√	√	√	√	√
2.	Corporate Governance	√	√	√	√	√	√	√
3.	Knowledge of Textile Industry	√	√	√	√	-	-	-
4	Analytical skills to diagnose situation	√	√	√	√	√	√	√

5	Financial Analysis	√	√	√	√	√	√	√
6	Relevant Legal understanding	√	√	√	√	√	-	-

2.5 Information supplied to the Board

Minimum four Board meetings are held annually. Additional Board Meetings are convened by giving appropriate notice and agenda to address the Company's specific needs. The items / matters placed before the Board *inter alia* includes:-

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results for the listed entity and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board of directors.
5. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices, which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the listed entity, or substantial non-payment for goods sold by the listed entity.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
10. Details of any joint venture or collaboration agreement.
11. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
16. Annual Secretarial Audit Reports submitted by Secretarial Auditors
17. Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
18. Significant changes in accounting policies and internal control system
19. Statement of significant transactions, related party transactions and arrangements
20. Appointment of and fixing of remuneration of the auditors as recommended by the Audit committee
21. Internal Audit findings and External Audit Reports (through the Audit Committees)
22. Status of business risk exposures, its management and related action plans
23. Making of loans and investment of surplus funds
24. Borrowing of monies, giving guarantees or providing security in respect of loans
25. Brief on statutory developments, changes in government policies, among others with impact thereof,
26. Director's Responsibilities arising out of any such developments
27. Compliance Certificate certifying compliances with all laws as applicable to the Company

28. Various quarterly / half-yearly Compliances as mentioned below:-

- a. Reconciliation of Share Capital Audit Report under Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 / 2018.
- b. Compliance Certificate ensuring maintenance of physical and electronic transfer facility as per Regulation 7(3) of Listing Regulations.
- c. Statement of Investor Complaints as per Regulation 13(3) of Listing Regulations.
- d. Corporate Governance Report as per Regulation 27 of Listing Regulations.
- e. Shareholding Pattern as per Regulation 31 of Listing Regulations.
- f. Certificate from Practicing Company Secretary under Regulation 40(9) of Listing Regulations.

2.6 Code of Conduct

The Company has laid down a Code of Conduct for all the members of the Board of Directors, Key Managerial Personnels (KMPs) and Senior Management Personnels (SMPs) for avoidance of conflict of interest. All the Directors, KMPs and SMPs have confirmed compliance with Code of Conduct for the financial year 2021-22. A copy of the Code is available on the Company's website at <http://srsi.in/documents/CODE.pdf> also. The Chief Executive Officer has given a certificate of compliance with the Code of Conduct which forms part of report on Corporate Governance as required under Regulation 34 read with Schedule V of Listing Regulations.

There were no material, financial and commercial transactions in which the SMPs had personal interest which could lead to potential conflict of interest with the Company during the year.

3. Audit Committee

3.1 Composition, Meetings and Attendance

The Audit Committee is constituted as per the requirement of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of Listing Regulations who possess financial / accounting expertise / exposure. Four meetings of the Audit Committee were held during the financial year 2021-22 on 24th June, 2021, 12th August, 2021, 12th November, 2021 and 11th February, 2022. The accounts and financial positions were reviewed and recommended by the Audit Committee and thereafter placed before the Board for their consideration. Further, all the recommendations of the Committee were accepted by the Board of Directors. The details of meetings and attendance were duly minutised.

The details of members and their categories, their attendance at Audit Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Narendra Nath Agrawala	Chairman	NEID	4	4
2.	Mrs. Manju Datta	Member	NEID	4	4
3.	Mr. Vinod Kumar Ladia*	Member	ED	1	1
4.	Mr. Vikas Ladia**	Member	ED	2	2

Notes:-

- ◇ NEID - Non- Executive Independent Director
- ◇ ED - Executive Director

* Mr. Vinod Kumar Ladia ceased to be Whole Time Director and Member of Audit Committee with effect from 10th August, 2021

** Mr. Vikas Ladia inducted as the member of the Committee with effect from 12th August, 2021.

The Chief Financial Officer and Auditors are invitees to the Audit Committee Meetings. Mr. Narendra Nath Agrawala, Chairman of the Audit Committee, attended the 41st AGM of the Company conducted through Video Conferencing, which was held on 25th September, 2021. Company Secretary and Compliance Officer of the Company is the Secretary of the Committee.

3.2 Powers of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

3.3 Brief description of terms of reference of the Audit Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation of the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company;
3. Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them;
4. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:-
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
 - d. Significant adjustments made in financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statement;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinions in draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process;

7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management system;
11. Reviewing with the management, performance of statutory auditors, cost auditors and internal auditors, adequacy of internal control systems;
12. Discussion with internal auditors on any significant findings and follow up thereof;
13. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
14. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
15. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
16. to review the functioning of the whistle blower mechanism;
17. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
19. Reviewing the following information:-
 - a. The management discussions and analysis of financial condition and results of operations.
 - b. Management letters/letters of internal control weaknesses issued by the statutory auditors.
 - c. Internal auditor reports relating to internal control weaknesses; and
 - d. The appointment, removal and terms of remuneration of internal auditors/ chief internal auditor

4. Nomination and Remuneration Committee

4.1 Composition, Meetings and Attendance

The Nomination and Remuneration Committee is constituted as per the requirement of Section 178 of the Act and Regulation 19 of Listing Regulations. Three meetings of the Nomination and Remuneration Committee were held during the financial year 2021-22, on 23rd April, 2021, 24th June, 2021 and 12th August, 2021. The details of meetings and attendance were duly minutised. Further, all the recommendations of the Committee were accepted by the Board of Directors.

The details of members and their categories, their attendance at Nomination and Remuneration Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Narendra Nath Agrawala	Chairman	NEID	3	3
2.	Mr. Vinod Kumar Ladia*	Member	ED	2	2
3.	Mrs. Manju Datta	Member	NEID	3	3
4.	Mr. Sandeep Kumar Jain**	Member	NEID	0	0
5.	Mr. Mohan Lal Sharma***	Member	NEID	3	0

Notes:-

- ◇ NEID - Non- Executive Independent Director
- ◇ ED - Executive Director

* Mr. Vinod Kumar Ladia ceased to be Whole Time Director and member of Nomination and Remuneration Committee with effect from 10th August, 2021.

** Mr. Sandeep Kumar Jain was appointed as Independent Directors with effect from 12th August, 2021.

*** Mr. Mohan Lal Sharma ceased to be Independent Director and member of Nomination and Remuneration Committee with effect from 13th August, 2021.

4.2 Brief description of terms of reference of the Nomination and Remuneration Committee

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

- (3) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (4) devising a policy on diversity of board of directors;
- (5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (6) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

4.3 Performance Evaluation Criteria For Directors

The Company has devised criteria for evaluation of the Directors including Independent Directors. The said criteria provide certain parameters like Attendance, Availability, Time spent, Preparedness, Active participation, Analysis, Objective discussions, Probing and testing assumptions, Industry and Business knowledge, Functional expertise, Corporate Governance, Development of Strategy and Long Term Plans, Inputs in strength area, Director's obligation and discharge of responsibilities, Quality and value of contributions and Relationship with other Board Members etc. which is in compliance with applicable laws, regulations and guidelines. The below table shows Evaluation Criteria:

S. No.	CRITERIA	EVALUATION
A.	<i>The Board as whole</i>	The Board as a whole was evaluated on the basis of given criteria and it was observed by the Board that :-
1.	Structure of the Board	<ul style="list-style-type: none"> ✓ Board as a whole has directors with a proper mix of skills, qualifications, competencies and experiences to conduct its affairs effectively and is sufficiently diversified based on Gender, background, competence, experience, etc.
2.	Meetings of the Board	<ul style="list-style-type: none"> ✓ Meetings are held on a regular basis and frequency of such meetings is enough for the Board to undertake its duties properly and proper intimations are received for the meetings. ✓ Agenda is circulated well before the meeting containing most of the information to take decision on the matter. Board discusses every issue comprehensively depending on the importance of the subject. Discussions generally add value to the decision making. All members actively participate in the discussions. ✓ The minutes are being recorded properly- clearly, completely, accurately and consistently and are approved properly in accordance with set procedures. ✓ The minutes are timely circulated to all the Board members. ✓ All the information pertaining to the meeting are disseminated to the members timely, frequently, accurately, regularly.
3.	Functions of the Board	Board as a whole ensures :- <ul style="list-style-type: none"> ✓ Its Role and responsibilities ✓ Strategy and performance evaluation ✓ Governance and compliance ✓ Evaluation of Risks ✓ Grievance redressal for Investors ✓ Conflict of interest ✓ Stakeholder value and responsibility

		✓ Facilitation of independent directors
4.	Board and management	Board as a whole ensures :- ✓ Evaluation of performance of the management and feedback ✓ Independence of the management from the Board ✓ Access of the management to the Board and Board access to the management ✓ Secretarial support
5.	Professional development	✓ adequate induction programmes are conducted for directors
B. All The Committees of the Board		
B.	<i>All The Committees of the Board</i>	The Committees of the Board was evaluated on the basis of given criteria's and it was observed by the Board that -
1.	Mandate and composition	✓ Mandate, composition and working procedures of committees of the board of directors is clearly defined and disclosed
2.	Effectiveness of the Committee	✓ Committee has fulfilled its functions as assigned by the Board and laws as may be applicable
3.	Structure of the Committee and meetings	✓ Committees have proper structure and regular meetings are being held
4.	Independence of the Committee from the Board	✓ Independence of the Committee is ensured from the Board
5.	Contribution to decisions of the Board	✓ Committee's recommendations contribute effectively to the decisions of the Board.
C. Individual Directors and Chairperson (including Chairperson, CEO, Independent Directors, Non-independent directors, etc.)		
C.	<i>Individual Directors and Chairperson (including Chairperson, CEO, Independent Directors, Non-independent directors, etc.)</i>	Individual Directors & Chairperson (including Chairperson, CEO, Independent Directors, Non-independent directors, etc.) were evaluated on the basis of given criteria's (in the absence of the respective director being evaluated) and it was observed by the Board that -
1.	General	✓ Proper Qualifications, Experience, Knowledge and Competency of the Directors ✓ Fulfillment of functions, Commitment, Integrity and Contribution is ensured by all the Directors. ✓ Directors ensures the attendance in the meeting as per their availability.
2.	Additional criteria for Independent Director	✓ Independent Directors are independent from the entity and other directors and there if no conflict of interest ✓ Independent Directors exercises his/ her own judgement and voices opinion freely
3.	Additional criteria for Chairperson	✓ Chairperson displays efficient leadership, is open-minded, decisive, courteous, displays professionalism, able to coordinate the discussion, etc. and is overall able to steer the meeting effectively ✓ Chairperson is impartial in conducting discussions, seeking views and dealing with dissent, etc. ✓ Chairperson is sufficiently committed to the Board and its meetings.

4.4 Nomination and Remuneration Policy ('Policy')

The Company has formulated The Nomination and Remuneration Policy which is available at Company's website at http://srsl.in/documents/Revised_Nomination_and_Remuneration_Policy.pdf

The policy briefly includes:-

- 1) Appointment/re-appointment Criteria and Qualifications of Director, KMPs, SMPs and other employees as may be decided by the Board of Directors
- 2) Term / Tenure of Director, KMPs, SMPs
- 3) Familiarization programme for Independent Directors
- 4) Criteria for evaluation
- 5) Removal and Retirement of Directors, KMPs, SMPs
- 6) Provisions relating to remuneration of Director, KMPs, SMPs
- 7) Policy on Board Diversity

4.5 Disclosures with respect to remuneration

- a. Details of all elements of Remuneration paid to Directors for the financial year 2021-22 and period of service contract

(Amount in Rupees)

Sr. No.	Name and designation of director	Period of service contract	Salary	Allowances	Perquisites	Sitting fee	Total
1.	Mr. Vinod Kumar Ladia* (CM & WTD)	3 yrs.	9,55,290	1,79,473	62,683	-	11,97,446
2.	Mr. Vikas Ladia (MD & CEO)	3 yrs.	22,75,500	2,73,060	29,84,825	-	55,33,385
3.	Mr. Anubhav Ladia (WTD)	3 yrs.	17,20,500	2,06,460	16,84,050	-	36,11,010
4.	Mr. Narendra Nath Agrawala (NEID)	5 yrs.	-	-	-	63,000	63,000
5.	Mrs. Manju Datta (NEID)	5 yrs.	-	-	-	63,000	63,000
6.	Mr. Sandeep Kumar Jain (NEID)**	5 yrs.	-	-	-	14,000	14,000
7.	Mr. Mohan Lal Sharma (NEID)***	5 yrs.	-	-	-	0	0

Notes:-

- ◇ CM - Chairman
- ◇ WTD - Whole Time Director
- ◇ MD & CEO - Managing Director and Chief Executive Officer
- ◇ NEID - Non- Executive Independent Director

* Mr. Vinod Kumar Ladia ceased to be Whole Time Director with effect from 10th August, 2021.

** Mr. Sandeep Kumar Jain was appointed as Independent Directors with effect from 12th August, 2021.

*** Mr. Mohan Lal Sharma ceased to be Independent Director with effect from 13th August, 2021.

b. Employment agreements with Executive Directors

Key details of Appointments / Re-appointment and Notice period of Executive Directors are as below:-

1. Re-Appointment and terms thereof (including remuneration) of Mr. Vikas Ladia, Managing Director and Chief Executive Officer, has been recommended by Board of Directors to the members for a period 3 years with effect from 1st June, 2022 to 31st May, 2025 with 6 months notice period.
2. Re-appointment and terms thereof (including remuneration), of Mr. Anubhav Ladia, Whole Time Director, has been recommended by Board of Directors to the members for a period 3 years with effect from 1st June, 2022 to 31st May, 2025 with 6 months notice period.

c. The remuneration to Executive / Whole Time Directors is paid as determined/recommended by the Nomination and Remuneration Committee, Board of Directors and Shareholders.

d. Details of fixed component and performance linked incentive along with the performance criteria : Salary has fixed component only and no performance linked incentive.

e. Non-Executive Director's remuneration

Non-Executive Directors are being paid Sitting fee plus reimbursement of the expenses, for each meeting of the Board of Directors and Audit Committee.

f. No severance fees has been paid during the year.

5. Stakeholders' Relationship Committee**5.1 Composition, Meetings and Attendance**

The Stakeholders' Relationship Committee is constituted as per the requirement of Section 178 of the Act and Regulation 20 of Listing Regulations. The Stakeholders' Relationship Committee is primarily responsible to review all grievances connected with the Company's transfer of securities and redressal of shareholders'/investors'/security holders' complaints. Four meetings of the Stakeholders' Relationship Committee were held during the financial year 2021-22, on 24th June, 2021, 12th August, 2021, 12th November, 2021 and 11th February, 2022. The details of meeting and attendance are duly minuted.

The details of members and their categories, their attendance at Stakeholders' Relationship Committee Meetings during the year are as under:-

Sr. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Narendra Nath Agrawala	Chairman	NEID	4	4
2.	Mr. Anubhav Ladia	Member	WTD	4	4
3.	Mr. Vinod Kumar Ladia*	Member	WTD	1	1
4.	Mr. Vikas Ladia**	Member	MD	2	2

Notes:-

- ◇ NEID - Non- Executive Independent Director
- ◇ WTD - Whole Time Director
- ◇ MD - Managing Director

* Mr. Vinod Kumar Ladia ceased to be Whole Time Director and member of Stakeholders' Relationship Committee with effect from 10th August, 2021.

** Mr. Vikas Ladia was inducted as the member of the Committee with effect from 12th August, 2021

Mr. Narendra Nath Agrawala, Chairman of the Stakeholders' Relationship Committee, has attended the 41st AGM of the Company, which was held on 25th September, 2021. Prinkle Talesara, Company Secretary and Compliance Officer of the Company is the Secretary of the Committee.

Further, all the recommendations of the Committee were accepted by the Board of Directors.

5.2 Brief description of terms of reference of the Stakeholders' Relationship Committee

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

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

5.3 Number of Shareholders' complaints received and resolved during the financial year 2021-22

Details of queries and grievances received and addressed by the Company during financial year 2021-22 is given in the below Table.

Nature of Complaints	Number
Number of complaints received from the investors comprising non-receipt of dividend warrants, non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / SEBI (SCORES) and so on	1
Number of complaints resolved	1
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2022	Nil
Number of complaints pending as on 31 st March, 2022	Nil

6. Sub-Committee

6.1 Composition, Meetings and Attendance

As on 31st March, 2022 the Sub-Committee of the Company comprises of 3 Directors. Four meetings of Sub-Committee of the Board were held during the financial year 2021-22. Two committee members constitute the quorum for each meeting. The meetings were held on 6th July, 2021, 9th September, 2021, 15th November, 2021 and 9th February, 2022. The details of meeting and attendance are duly minutised. Company Secretary and Compliance Officer of the Company is the Secretary of the Committee.

The details of members and their categories, their attendance at Sub-Committee Meetings during the year are as under:-

S. No.	Name of the Directors	Position held in the committee	Category	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Anubhav Ladia	Member	WTD	4	4
2.	Mr. Narendra Nath Agrawala	Member	NEID	4	3
3.	Mr. Vikas Ladia	Member	MD	4	4
4.	Mr. Vinod Kumar Ladia*	Member	WTD	1	1

Notes:-

- ◇ MD - Managing Director
- ◇ NEID - Non- Executive Independent Director
- ◇ WTD - Whole Time Director

* Mr. Vinod Kumar Ladia ceased to be Whole Time Director and member of Sub-Committee with effect from 10th August, 2021.

6.2 Brief description of terms of reference of the Sub-Committee

1. Exercise all powers to borrow monies (otherwise than by issue of shares and debentures) within the limits approved by the Board and taking necessary actions connected therewith including refinancing for optimisation of borrowing costs.
2. Borrow monies by way of loan for the purpose of financing debt, refinancing the existing debt, capital expenditure, general corporate purposes including working capital requirements and possible strategic investments within the limits approved by the Board.
3. Carry out, rescind or vary/modify all or any of the financial arrangement with / assistance from Banks, Institutions, companies, corporations, societies, firms, person or persons on behalf of the Company within the prescribed limits.
4. Invest the funds of the Company within the limit approved by the Board.
5. Giving of loans / guarantees / issuing letters of comfort / providing securities in respect of loans within the limits approved by the Board.
6. Provide corporate guarantee/performance guarantee by the Company within the limits approved by the Board.
7. Approve opening, closing and operation of Accounts (including internet banking facilities) with banks and delegate authority to directors / executives / officers to operate the bank accounts.
8. Delegate authorities from time to time to the directors / executives / authorised persons to implement the decisions of the Committee.
9. Delegate the authority in part or in full to the directors/ executives/ officers of the Company to deal with the Court, any State/Central Government Office, any Executive, Quasi Judiciary, Judiciary and/or other Government authorities and to deal with such other authorities / department necessary to carry out the functioning of the Company.
10. Delegate authority to director / executives / officers to deal with any specific matter.
11. Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.

7. General Body Meetings

7.1 Annual General Meetings

- a. Location and time, where last 3 Annual General Meetings were held:-

Financial Year	Date	Time	Location
2020-21	25 th September, 2021	1.00 P.M.	Through Video Conferencing ('VC')/other Audio Visual Means ('OAVM') Facility hosted at the Registered Office of the Company situated at 27-A, First Floor, Meera Nagar, Housing Board Colony, Udaipur - 313001, Rajasthan
2019-20	26 th September, 2020	2.00 P.M.	Through Video Conferencing ('VC')/other Audio Visual Means ('OAVM') Facility hosted at SRSL House, Pulla Bhuwana Road, NH 8, Udaipur -313 004 (Rajasthan)
2018-19	25 th September, 2019	2.30 P.M.	SRSL House, Pulla Bhuwana Road, NH 8, Udaipur -313 004 (Rajasthan)

b. Special Resolutions passed in the previous three Annual General Meetings:-

Sr. No.	AGM held on	Special Resolution passed
1.	25 th September, 2021	1. Revision in condition of Re-appointment of Mr. Vikas Ladia (DIN : 00256289), Managing Director and Chief Executive Officer (Key Managerial Personnel) of the Company
2.	26 th September, 2020	1. Re-appointment of Ms. Neelima Khetan (DIN: 05113000) as an Independent Director
3.	25 th September, 2019	1. Re-appointment of Mr. Vinod Kumar Ladia as Executive Chairman and Whole Time Director ('Key Managerial Personnel') 2. Re-appointment of Mr. Vikas Ladia as Managing Director and Chief Executive Officer ('Key Managerial Personnel') 3. Re-appointment of Mr. Anubhav Ladia as Whole Time Director ('Key Managerial Personnel') 4. To sell, transfer and/ or Dispose off the whole or substantially the whole of the undertaking of the Company under section 180(1) (a) of the Companies Act, 2013 both present and future

*No Extraordinary General Meeting was held during the year.

7.2 Postal Ballot

During the year no resolution was passed through postal ballot. Further, none of the business proposed to be transacted in the ensuing AGM requires passing through postal ballot.

However, the Company had sought the approval of the shareholders in the Financial year 2022-23 by way of a Special Resolution through notice of postal ballot (by way of 'e-voting') dated 7th May, 2022 for obtaining the consent of the Shareholders to file an Application to initiate pre-packaged insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 which was duly passed on 10th June, 2022.

8. Means of Communication

(a) Quarterly Results:- The Company's quarterly, half yearly and yearly results as per the format prescribed under Listing Regulations were duly sent to the Stock Exchange, where the shares are listed and were also made available on company's website at www.srsl.in.

(b) Newspaper wherein results were published:- As stipulated under Regulation 47 of the Listing Regulations, the quarterly results were published in one English National Newspaper and one Hindi Newspaper within 48 hours of the conclusion of the Board meeting in which the results were approved. During the year, notice and financial results (Audited / Unaudited) were published in Financial Express and Business Remedies within the prescribed time.

(c) Website:- The Company's website www.srsl.in contains 2 separate sections viz. 'Corporate Governance' and 'Investor / Shareholder' where shareholders information are available. The Company's Annual Report is also made available in a user friendly and download-able form.

(d) Annual Report:- The Annual Report containing, inter alia, Board's Report, Audited Financial Statements, Auditor's Report and other important information is circulated to members and others entitled thereto. The *Management Discussions and Analysis Report* forms part as *Annexure-5* of the Annual Report. Annual Report is made available on the Company's website at www.srsl.in also.

(e) News releases, presentations, among others:- Official news releases and official media releases, if any, were sent to Stock Exchange and also made available on company's website at www.srsl.in.

(f) Designated Exclusive email-ID:- The Company has designated the following email ids exclusively for investor servicing:-

For queries on Annual Report: cs@srl.in

For queries in respect of shares in physical mode: mas_serve@yahoo.com

Contact person for IEPF and Grievance Redressal:- Ms. Prinkle Talesara, Nodal Officer Company Secretary And Compliance Officer, Phone No.: -0294-2440334, E-mail:-cs@srl.in

9. General Shareholder Information:-

a. Annual General Meeting-

Date : 9th September, 2022

Time : 12.30 P.M. IST through VC/OAVM

***Financial Calendar Particulars 1st April, 2022 to 31st March, 2023 (Tentative)**

1. First quarter Results : In or before the 1st week of August, 2022.

2. Second quarter and Half Yearly Results : In or before the 2nd week of November, 2022

3. Third quarter and Nine-months Results : In or before the 2nd week of February, 2023

4. Fourth quarter and Annual Results : In or before the 4th week of May, 2023

***Annual General Meeting 2022-23** : Last week of September, 2023 (Tentative schedule)

***Date of Book Closure** : Saturday, 3rd September, 2022
Friday, 9th September, 2022 (Both days inclusive)

b. Dividend Payment Date : Not Applicable

c. Name and Address of Stock Exchange : Equity shares of the company are listed at BSE Limited; Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001

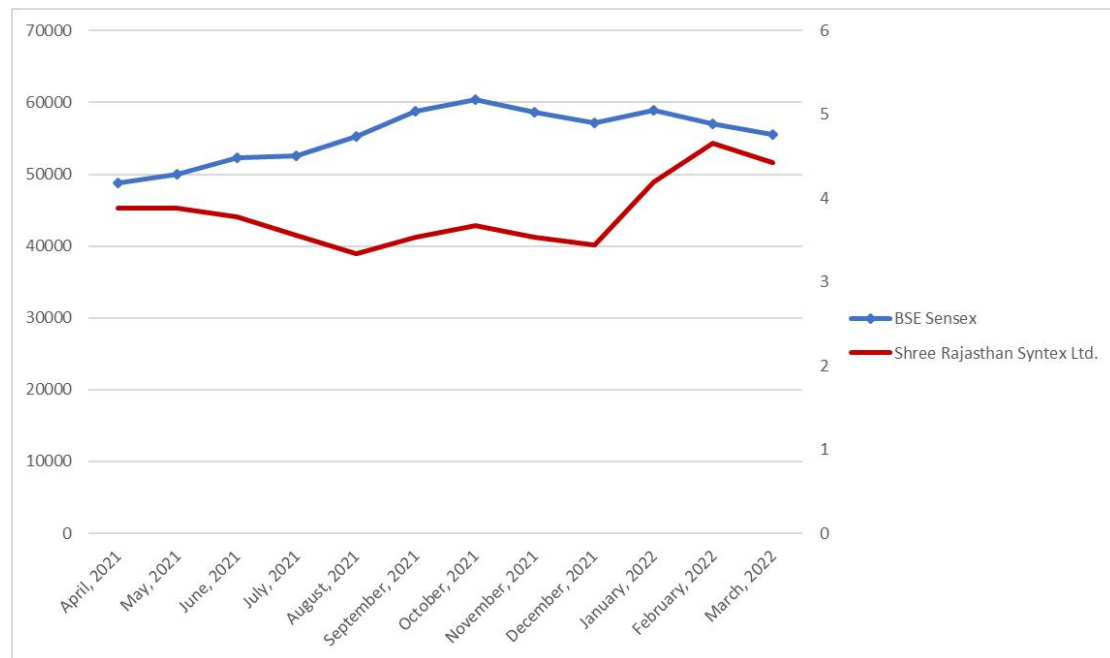
The Annual Listing fees to BSE Limited has been paid.

d. Stock Code : 503837 with BSE Limited

e. Market price data and Performance in comparison to broad based indices :

Month	Shree Rajasthan Syntex Ltd.			BSE Sensex		
	High (Rs.)	Low (Rs.)	Avg High-Low (Rs.)	High (Rs.)	Low (Rs.)	Avg High-Low (Rs.)
April, 2021	3.88	3.88	3.88	50375.77	47204.50	48790.14
May, 2021	3.88	3.88	3.88	52013.22	48028.07	50020.65
June, 2021	4.06	3.49	3.78	53126.73	51450.58	52288.66
July, 2021	3.71	3.40	3.56	53290.81	51802.73	52546.77
August, 2021	3.78	2.89	3.34	57625.26	52804.08	55214.67
September, 2021	4.43	2.65	3.54	60412.32	57263.90	58838.11
October, 2021	4.36	2.98	3.67	62245.43	58551.14	60398.29
November, 2021	4.30	2.75	3.53	61036.56	56382.93	58709.75
December, 2021	3.80	3.08	3.44	59203.37	55132.68	57168.03
January, 2022	4.77	3.60	4.19	61475.15	56409.63	58942.39
February, 2022	4.77	4.54	4.66	59618.51	54383.20	57000.86
March, 2022	4.54	4.32	4.43	58890.92	52260.82	55575.87

PERFORMANCE IN COMPARISON TO BROAD BASED INDICES



f. Registrar to an issue and share transfer agents : M/s. MAS Services Limited,
T-34, 2nd Floor, Okhla Industrial Area,
Phase- II, New Delhi - 110 020,
Phone: 26387281/82/83 Fax: 26387384
mail: info@masserv.com
website: www.masserv.com

g. Share Transfer System

The Board has delegated the authority for approving transfer, transmission, dematerialisation shares etc. to Company's Registrar and Share Transfer Agents ("RTA"). A summary of transactions is placed at each Board Meeting. The Company obtains an annual certificate from Practising Company Secretaries as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges.

In terms of amended Regulation 40 of Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25th January, 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

Members can contact the Company Secretary or Mas Services Limited, Company's Registrar and Share Transfer Agents ("RTA") (Tel. No. 011 26387281/82/83) for assistance in this regard.

h. Distribution of Shareholding

Shareholding pattern by size :

Shareholding of Nominal value (Rs.)	No. of shareholders	Shareholders (%)	Total No. of shares	% of share holding
1 - 5,000	6655	87.153	9,31,118	6.795
5,001 - 10,000	440	5.762	3,46,647	2.53
10,001 - 20,000	201	2.632	2,99,857	2.188
20,001 - 30,000	79	1.035	1,98,183	1.446
30,001 - 40,000	60	0.786	2,10,963	1.54
40,001 - 50,000	32	0.419	1,49,260	1.089
50,001 - 1,00,000	69	0.904	5,00,861	3.655
1,00,001 & above	100	1.31	1,10,65,412	80.756
Total	7636	100.00	1,37,02,301	100.00

Shareholding pattern by ownership :

Shareholders	No. of shares held	% of total shares held
Promoter and Promoter group	64,95,211	47.40
Foreign Institutional Investors	100	0.00
Mutual Funds /UTI	2,984	0.02
Banks	50	0.00
Corporate Bodies	8,16,387	5.95
Non -Resident Indian / OCB's	1,30,236	0.95
Public	62,57,333	45.67
Total	1,37,02,301	100.00

Shareholding Pattern Category wise :

Category	Number of shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
Electronic	4120	53.65	1,28,05,085	93.45
Physical	3560	46.35	8,97,216	6.55
Total	7680	100.00	1,37,02,301	100.00
Note: 44 holders are common in demat and physical				

i. Dematerialization of Shares and Liquidity:As on 31st March, 2022, 93.45% of the Company's equity shares have been dematerialized. The Company has entered into an agreement with both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) whereby shareholders have the option to dematerialize their shares with the Depositories. *International Securities Identification Number (ISIN) of the Company is INE796C01011.*

j. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity: NIL

k. Disclosures of commodity price risks or foreign exchange risk and commodity hedging activities : The Company is an exporter and has natural hedging for its foreign currency exposures. However there was no export during the FY 2021-22.

l. Plant Locations

- i) Shree Rajasthan Syntex Ltd., Village - Udaipura, Simalwara Road, Dungarpur - 314 001 (Raj.)
- ii) Shree Rajasthan Polycot (A Div. of Shree Rajasthan Syntex Ltd.), Simalwara Road Dungarpur-314001 (Raj.)
- iii) Shree Rajasthan Texchem (A Div. of Shree Rajasthan Syntex Ltd.), Village - Patapura, Simalwara Road Dungarpur - 314 001 (Raj.)

m. Address for correspondence

27-A, First Floor, Meera Nagar, Housing Board Colony, Udaipur-313001 (Raj.)

n. Credit Ratings

Company is rated by CARE Rating Limited as under:-

1. Long-term Bank Facilities : Reaffirmed at CARE D (Single D) and withdrawn
2. Short-term Bank Facilities : Reaffirmed at CARE D (Single D) and withdrawn
3. Fixed Deposits : Reaffirmed at CARE D (FD) [Single D (Fixed Deposit)] and withdrawn

Since the Company can no longer accept deposits, the requirement of credit rating has been withdrawn.

10. Other Disclosures**a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of Company at large.**

None of the RPT have potential conflict with the interests of Company at large. Further, the details of Related Party Transactions are provided in form AOC-2 attached under the head of Board's Report as *Annexure-2*. The Company formulated a policy on Related Party Transactions (RPTs) in accordance with the Act and the SEBI Listing Regulations including any amendments thereto for identifying, reviewing, approving and monitoring of RPTs. The said policy has been revised in line with the amendment in SEBI Listing Regulations and the same is available on the Company's website URL: <http://srsl.in/documents/Signed%20RPT%20Policy.pdf>

b) Details of non-compliance by the Company, penalties and strictures imposed on the company by Stock Exchange(s) or the SEBI, or any statutory authority, on any matter related to capital markets, during last three years.

(i) Non-filing of Form MGT-14 for registration of resolution for appointment of Chief Financial officer (Key Managerial Personnel) of Company during the financial year 2020-21: The Management had filed the petition for condonation of delay for e-form MGT-14 and the same was condoned without levying any penalty by Ministry of Corporate Affairs.

(ii) BSE Limited had levied penalty of Rs. 11,800/- (Basic Rs. 10,000 + GST Rs. 1,800) on the Company for non-compliance of Regulation 29(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for delay in intimation of Board Meeting held on 24th August, 2020. The Company had paid the required fine to the Stock Exchange.

(iii) The Company had received a notice from BSE Limited regarding non-compliance of Regulation 17(1), Regulation 18(1) and Regulation 19(1)/ 19(2) pertaining to the composition of the Board including failure to appoint woman director, constitution of audit committee and nomination and remuneration committee. The Management had taken the required action by filing its reply along with detailed justifications for a valid compliance for which the Company has received an order for waiver of penalties imposed by BSE Limited (Stock Exchange) for the alleged non-compliances under Regulation 17(4), 18(1), 19(1) and 19(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

c) Whistle Blower Policy / Vigil Mechanism

Pursuant to Section 177 (9) and (10) of the Act and as per Listing Regulations, the Vigil Mechanism / Whistle Blower Policy was formulated to provide an opportunity to employees and an avenue to raise concerns about the unethical behavior actual or suspected fraud or violation of the Company's code or ethics policy and to access in good faith the Audit Committee, to the highest

possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse action against those employees.

The Vigil Mechanism / Whistle Blower Policy and any matters arising towards such policy shall be overseen by the Audit Committee on the basis of the following details;

- a) Internal Policy and Protection under Policy
- b) Safeguards against Harassment or Victimization
- c) False Allegation and Legitimate Employment Action
- d) Disclosure to the Head of Department/Audit Committee
- e) Accountability - Head of Department/ Managing Director/Audit Committee
- f) Procedure of vigil mechanism

The Whistle Blower Policy of the Company is also available on the website of the Company at the link <http://www.srsl.in/documents/WHISTLE-BLOWER-POLICY.pdf>

During the year, no whistle blower event was reported and mechanism is functioning well. Further, no personnel has been denied access to the Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulations

The Company complies with all the requirements of the Listing Regulations. Our Company has complied with the mandatory requirements and has ensured the implementation of non-mandatory items such as:-

- Unmodified audit opinions / reporting
- Internal auditor reports directly to audit committee

e) Total fees for all services paid by the company to the Statutory Auditor and all the entities in the network firm/network entity of which statutory auditor is a part.

The details of total fees for all the services paid by the company to the Statutory Auditor are provided in Notes to the Financial Statements. Please refer note 38 to the Financial Statement.

f) PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Company has constituted Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work place.

The following is a summary of Sexual Harassment Complaints received and disposed off during the financial year 2021-22 :-

- a. Number of Complaints pending at the beginning of the year : **NIL**
- b. Number of Complaints received during the year : **NIL**
- c. Number of Complaints disposed off during the year : **NA**
- d. Number of Complaints pending at the end of the year : **NIL**

11. Declarations

1. A certificate from M/s. V. M. & Associates, Company Secretaries, Jaipur stating that none of the directors on the board of the company have been debarred from being appointed or continue as directors of the Companies by SEBI / Ministry of Corporate Affairs or any such statutory authority forms part of report on Corporate Governance. Please refer Page No. 71
2. Compliance Certificate taken from M/s. Doogar & Associates, Statutory Auditor, New Delhi, regarding compliance of conditions of Corporate Governance forms part of report on Corporate Governance. Please refer Page No. 72
3. Certificate taken from Mr. Vikas Ladia, Chief Executive Officer and Mr. Prahlad Bilochi, Chief Financial Officer as specified in Part B of Schedule II as per Regulation 17(8) forms part of report on Corporate Governance. Please refer Page No. 74
4. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations : During the FY 2021-22, the Company has complied with all the requirements in this regard, to the extent applicable.
5. The Company is in compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations during the FY 2021-22.

Declaration affirming compliance with Code Of Conduct

I hereby confirm and declare that all the Board members, Key Managerial Personnel and Senior Management Personnel have individually affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended 31st March, 2022.

Place: Udaipur
Date: 11th April, 2022

Sd/-
Vikas Ladia
(Chief Executive Officer)
DIN: (00256289)

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

To,
The Members,
Shree Rajasthan Syntex Ltd
27-A, First Floor, Meera Nagar
Housing Board Colony
Udaipur – 313 001 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shree Rajasthan Syntex Ltd** having **CIN: L24302RJ1979PLC001948** and having registered office at 27-A, First Floor, Meera Nagar, Housing Board Colony, Udaipur – 313 001 (Rajasthan) (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 and 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 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 ended on March 31, 2022 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
1.	Anubhav Ladia	00168312
2.	Vikas Ladia	00256289
3.	Narendra Nath Agrawala	00168211
4.	Manju Datta	09010395
5.	Sandeep Kumar Jain	01116047
6.	Mohan Lal Sharma*	09023757
7.	Vinod Kumar Ladia*	00168257

*Ceased from the Directorship of the Company during Financial Year 2021-22.

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.

Place: Jaipur
Date: May 25, 2022
UDIN: F003355D000382800

For V. M. & Associates
Company Secretaries
(ICSI Unique Code P1984RJ039200)
PR 581 / 2019

CS Manoj Maheshwari
Partner
Membership No.: FCS 3355
C P No.: 1971

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)

To the Members of
Shree Rajasthan Syntex Ltd.

1. The Corporate Governance Report prepared by Shree Rajasthan Syntex Ltd. ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations (except as mentioned in the report), as applicable for the year ended March 31, 2022, referred to in paragraph 1 above.

Other Matters

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. A petition has been filed against company under section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) by Bank of Baroda alleging default in the payment of their Bank Loans.

12. Consequently, company has initiated the process for seeking the approval of shareholders for filing of an application to National Company Law Tribunal (NCLT) under Pre Packaged Insolvency Resolution Process under section 54A and other applicable provision read with Section 10 of the IBC.

Restriction on Use

13. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For Doogar & Associates

Chartered Accountants

Firm's Registration No. 000561N

Sd/-

Vardhman Doogar

Partner

Membership No. 517347

UDIN: 22517347AOTWER8022

Dated: August 02, 2022

Place: New Delhi

CERTIFICATE

*(Pursuant to Regulation 17(8) and Schedule II Part B of the
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

“Certified that”

A. We have reviewed financial statements and the cash flow statement for the financial year 2021-22 and that to the best of our knowledge and belief:

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(2) These statements together present a true and fair view of the company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2021-22 which are fraudulent, illegal or in violation of the company’s code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

(1) significant changes in internal control over financial reporting during the year 2021-22

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

FOR SHREE RAJASTHAN SYNTEX LTD.

Sd/-

PRAHLAD BILOCHI
(CHIEF FINANCIAL OFFICER)

Sd/-

VIKAS LADIA
(CHIEF EXECUTIVE OFFICER)

Date: 25th May, 2022

Place: Udaipur

Independent Auditors' Report

**To The Members of
Shree Rajasthan Syntex Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Shree Rajasthan Syntex Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note no. 41 to the financial statement regarding preparation of the financial results on going Concern basis. The Company has accumulated losses as on March 31, 2022, its current liabilities are substantially higher than current assets and has defaulted in repayment of borrowings. These conditions indicate the existence of a material uncertainty on the Company's ability to continue as going concern. The appropriateness of assumption of going concern and evaluation of recoverable value of its non-current assets is critically dependent upon the successful outcome of the discussion with its lenders for a financial resolution, the Company's ability to raise finance / generate cash flows in future to meet its obligations. The Company is also of the view that no impairment of its non-current assets is required. Further, Bank of Baroda, the financial creditor (Member of Consortium arrangement) has filed petition u/s 7 of Insolvency Bankruptcy Code, 2016 before National Company Law Tribunal (NCLT, Jaipur) dated 4th May, 2022.

Further, the company is in process of filing of an application for Pre-Packaged Scheme u/s 54A read with section 10 of Insolvency Bankruptcy Code, 2016. In view of the management's expectation of a successful outcome in future years, the Statement has been prepared on going concern basis.

Our conclusion is not modified in respect of this matter.

Emphasis of matter

We draw attention to Note no. 41 to the financial statements, the company has not made any provision for amount towards penal interest, penalty, etc. as may be charged by the lenders. Further, the company has recognised interest expense on estimated basis taking reference of the last sanctioned interest rates charged by the banks, in the absence of statements of accounts from banks.

Our conclusion is not modified in respect of the above matter.

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 for the financial year ended March 31, 2022. 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. In addition to the matter described in the “Material Uncertainty Related to Going Concern” section, we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
Litigation, claims and other contingencies (as described in note 40 of the financial statements)	
<p>As indicated in Note 40, the Company is involved in various litigations and claims.</p> <p>This risk of litigations and claims would have a significant financial impact if the potential exposures were to materialize.</p> <p>The amounts of claims may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgement.</p> <p>This matter has been determined to be a key matter, since the aforementioned cases requires significant judgements by management, including that obtained from its legal advisors.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of identification process relating to litigations and claims and contingent liabilities and evaluated the design and tested the operating effectiveness of controls in respect of process • Assessed the progress of all significant contingencies, consideration of any evidence of legal disputes. • Evaluated management’s assessment of the likely outcome and potential exposures arising from significant contingencies subject to ongoing court and arbitration proceedings and considered the requirements for any provision. • Inquired with both legal and finance personnel in respect of ongoing litigations or claims proceedings, inspected relevant correspondence and requested a confirmation letter from the Company’s in-house legal counsel. Also, obtained legal confirmation letters on sample basis from external legal counsels. <p>Based on the above procedures, we found that the Management’s assessment to be reasonable.</p>

We have determined that there are no other key audit matters to communicate in our report.

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 Company's annual report, but does not include the financial statements and our auditors' 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.

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. The going concern matter described in the "Material Uncertainty Related to Going Concern" Section above, in our opinion, may have an adverse effect on the functioning of the Company.
 - g. With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the act, as amended. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - i. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 40 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding,

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

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-

Vardhman Doogar
Partner
Membership No. 517347

UDIN: 22517347AJYSDK5167

Date: May 25, 2022

Place: New Delhi

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Shree Rajasthan Syntex Limited of even date)

Report on the matters specified in paragraph 3 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 Companies Act, 2013 (“the Act”)

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets: -
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipment and relevant details of right-of-use assets.

(B) The company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of physical verification of Property, Plant and Equipment and right-to-use assets to cover all the assets once every three year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain plants and machinery were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification. Other Plant and equipments were not verified during the year.
 - c. Title deeds of all immovable properties (other than properties where the documents are with lending banks as equitable mortgage for which we have not received any confirmation letter from the banks), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by the Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of accounts.

(b) The Company has not been sanctioned/renewed working capital limits during the year. Since the accounts are NPA, the banks have freezed working capital limits sanctioned in earlier years. No quarterly returns or statements has been filed with the Banks.
- iii. According to the information and explanations given to us,
 - (a) The Company has not made investments in, nor provided any guarantee or security or granted any loan and advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year.
 - (b) The terms and conditions of the grant of such loan in earlier years are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (c) The schedule of repayment of principal and payment of interest has been stipulated the repayments of principal amount was regular as per stipulations but receipt of interest is not regular;

- (d) There is an overdue interest amount of Rs. 31.77 Lakhs receivable as at the year-end. No steps have been taken by the company for the recovery of interest.
- (e) The Company has not renewed or extended or fresh loan granted to settle the overdue of existing loan during the year.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year, hence reporting under clause 3(iii)(f) is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has accepted and complied with provisions within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) for the deposits accepted in earlier year.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. In respect of statutory dues:
- (a) In our opinion the company has been regular in depositing the Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues by the due dates with appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues, at the year end, for a period of more than six months from the date they become payable.

- (b) Details of statutory dues referred to sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

SI. No.	Name of the Statue	Nature of the dues	Forum where dispute is pending	Period to which the amount relates (F.Y.)	Amount (Rs. In lakhs)	
					Gross	Deposited under protest
1	Rajasthan Stamp Act	Stamp Duty	Tax Board, Ajmer	2012-13	2.70	0.90
2	Rajasthan Tax into entry of goods into local area Act,1999	Entry tax and interest	High Court	2001-02 to 2005-06	252.32	252.32
3	Rajasthan Tax into entry of goods into local area Act,1999	Entry tax and interest	High Court	2006-07 to 2014-15	231.06	231.06
4	Central Excise Act	Excise Duty and	Dy Commissioner /	1997 &	24.47	1.34

	1994	Custom Duty	Asst. Commissioner	onwards		
5	Central Excise Act 1994	Excise Duty and Custom Duty	Commissioner Appeals	1994-95 & 1995-96	6.10	-
6	Service Tax	Service Tax	Dy Commissioner / Asst. Commissioner	1998-99 to 1999-2000	20.84	10.88
7	Service Tax	Service Tax	Commissioner Appeals	2007 & onwards	4.69	4.69
8	Service Tax	Service Tax	CESTAT	2007 & onwards	3.20	3.20
9	Rajasthan Value Added Tax 2003	Value added tax with RIPS	High Court	2007-08 to 2015-16	923.74	72.54
10	Central Goods and Service Act, 2017	Penalty on E-Ways Bills	Commissioner Appeals	2020-21	0.52	0.52

viii. According to the information and explanation given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix.

(a) The Company has defaulted in repayment of loans, other borrowings and interest thereon as follows:

Nature of borrowings	Name of lender	Amount not paid on due date (Rs. in Lakhs)	Whether Principal or interest	No. of days delay or unpaid	Remarks if any
Term Loan	State Bank of India	1,360.68	Principal and Interest		Accounts freeze, no transaction since, July 2017
Term Loan	Bank of Baroda	2,474.72	Principal and Interest		Accounts freeze, no transaction since, April 2017
Term Loan	IDBI Bank	1,681.44	Principal and Interest		Accounts freeze, no transaction since, February 2019
Cash credit	State Bank of India	6,468.15	Principal and Interest		Accounts freeze, no transaction since, July 2017
Cash credit	Bank of Baroda	1,500.40	Principal and Interest		Accounts freeze, no transaction since, October 2017
Cash credit	IDBI Bank	1,394.65	Principal and Interest		Accounts freeze, no transaction since, October 2019
Bill Discounting	IDBI Bank	1,779.71	Principal and Interest		Accounts freeze, no transaction since, October 2017
		16,659.75			

*These Outstanding amounts are subject to reconciliation with the Financial Lenders.

(b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) No term loans obtained during the years, hence reporting under clause 3(ix)(c) of the order not applicable.

(d) On the overall examination of the financial statements of the Company, no funds raised on the short term basis have been used for long-term purposes by the Company, Clause 3(ix)(d) is not applicable .

(e) There is no subsidiary of the Company. Accordingly, the reporting under Clause 3(ix)(e) of the Order are not applicable to the Company.

(f) There is no subsidiary, joint venture or associate of the company. Accordingly, the reporting under Clause 3(ix)(f) of the Order are not applicable to the Company.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully, partially or optionally convertible) during the year.

xi. (a) During the course of the examination of the books and records of the Company, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.

(b) No report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.

(c) According to the information and explanations given to us and as represented to us by the management, no whistle blower complaints have been received during the year and upto the date of this report by the Company.

xii. The Company is not a Nidhi Company. Accordingly, the reporting under Clause 3(xii) of the Order are not applicable.

xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under Clause 3(xv) of the Order are not applicable.

- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 3(xvi) of the Order are not applicable.
- (b) Based on the information and explanations provided by the management of the Company, there is no Core Investment Company as the part of the Group.
- xvii. The Company has incurred cash losses of Rs. 3,205.09 Lakhs during the financial year covered by our audit and Rs. 1,975.97 Lakhs in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. As referred to in 'Material uncertainty related to Going concern' paragraph in our main audit report and as disclosed in Note 65 to the financial statements which includes the financial ratios and 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 exists a material uncertainty that the Company may not be 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.
- xx. The company is not required to spend CSR Expenditure as required by section 135 of the Companies Act, 2013 as the company is incurring losses, hence reporting under paragraph 3(xiv) of the Order is not applicable.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-

Vardhman Doogar
Partner
Membership No. 517347

UDIN: 22517347AJYSDK5167

Date: May 25, 2022
Place: New Delhi

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Shree Rajasthan Syntex Limited of even date)

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

We have audited the internal financial controls over financial reporting of Shree Rajasthan Syntex Limited as of 31 March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note"). 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 the 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of such 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 with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to Financial Statements

A company's internal financial controls over financial reporting with reference to financial statements are 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 controls over financial reporting with reference to financial statements include 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 with Reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Sd/-

Vardhman Doogar
Partner
Membership No. 517347

UDIN: 22517347AJYSDK5167

Date: May 25, 2022

Place: New Delhi

	Note No.	As at March 31, 2022	As at March 31, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	6,403.74	6,822.02
(b) Right of use asset	5	46.04	29.44
(c) Intangible assets	4	0.05	0.05
(d) Financial assets			
(i) Loans	6	46.98	46.98
(ii) Other financial assets	7	125.47	119.97
(e) Deferred tax assets (net)	8	441.60	441.60
(f) Other non-current assets	9	4,241.42	4,595.46
Total non-current assets		11,305.30	12,055.52
Current Assets			
(a) Inventories	10	174.48	309.05
(b) Financial Assets			
(i) Trade receivables	11	118.38	91.93
(ii) Cash and cash equivalents	12	20.40	72.13
(iii) Bank balances other than (ii) above	13	0.23	0.22
(iv) Loans	14	13.00	13.00
(v) Other financial assets	15	-	-
(c) Other current assets	16	387.61	453.88
(d) Current tax assets	17	91.07	68.38
Total current assets		805.17	1,008.59
TOTAL ASSETS		12,110.47	13,064.11
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	1,370.23	1,370.23
(b) Other equity	19	(8,424.49)	(4,787.65)
Total Equity		(7,054.26)	(3,417.42)
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	665.14	574.86
(ii) Lease Liability	21	39.96	19.82
(iii) Other financial liabilities	22	144.06	144.45
(b) Provisions	23	96.29	95.98
Total Non-current liabilities		945.45	835.11
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	24	8,209.43	8,247.17
(ii) Trade payables	25		
- Due to micro enterprises and small enterprises		20.65	24.06
- Due to creditors other than micro enterprises and small enterprises		2,307.57	2,307.89
(iii) Lease Liability	26	10.09	10.12
(iv) Other financial liabilities	27	7,568.44	4,948.34
(b) Provisions	28	62.04	71.13
(d) Other current liabilities	29	41.06	37.71
Total Current liabilities		18,219.28	15,646.42
Total Liabilities		19,164.73	16,481.53
TOTAL EQUITY AND LIABILITIES		12,110.47	13,064.11

See accompanying notes to the financial statements

1 to 66

As per our report of even date

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Sd/-
Vardhman Doogar
Partner
M. No 517347

Sd/-
Vikas Ladia
Managing Director & CEO
DIN: 00256289

Sd/-
Anubhav Ladia
Whole Time Director
DIN: 00168312

Sd/-
Narendra Nath Agrawala
Independent Director
DIN: 00168211

Place : New Delhi
Dated: 25.05.2022

Place : Udaipur
Dated: 25.05.2022

Sd/-
Prahlad Bilochi
Chief Financial Officer

Sd/-
Prinkle Talesara
Company Secretary
& Compliance Officer
M. no. A60017

Shree Rajasthan Syntex Limited
Statement of Profit and Loss for the year ended March 31, 2022
CIN:- L24302RJ1979PLC001948

(Rs. in Lakhs)			
Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations	30	5,077.45	3,663.09
II. Other income	31	17.37	159.21
III Total Income (I+II)		5,094.82	3,822.30
IV Expenses :			
Cost of material consumed	32	1,102.22	1,018.79
Purchases of stock-in-trade	33	714.92	234.03
Changes in inventories of finished goods, work-in-progress and stock-	34	32.89	112.62
Employee benefit expenses	35	1,152.29	918.40
Finance costs	36	2,770.89	1,818.14
Depreciation and amortisation expense	37	437.80	438.52
Other expenses	38	2,526.69	1,696.29
Total expenses (IV)		8,737.70	6,236.79
V Profit/(Loss) before exceptional items and tax (III-IV)		(3,642.88)	(2,414.49)
VI Exceptional items (gain)		-	-
VII Profit/(Loss) before tax (V+VI)		(3,642.88)	(2,414.49)
VIII Tax expense:			
Current tax		-	-
Deferred tax		-	-
Tax adjustment of earlier years		-	-
Total tax expenses (VIII)		-	-
IX Profit for the year (VII-VIII)		(3,642.88)	(2,414.49)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(loss) on defined benefit plans		6.04	59.54
Income tax expense relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income (X)		6.04	59.54
XI Total Comprehensive Income for the year (IX+X)		(3,636.84)	(2,354.95)
XII Earnings per equity share of Rs. 10 each	39		
- Basic		(26.59)	(17.62)
- Diluted		(26.59)	(17.62)

See accompanying notes to the financial statements **1 to 66**

As per our report of even date

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Sd/-
Vardhman Doogar
Partner
M. No 517347

Sd/-
Vikas Ladia
Managing Director & CEO
DIN: 00256289

Sd/-
Anubhav Ladia
Whole Time Director
DIN: 00168312

Sd/-
Narendra Nath Agrawala
Independent Director
DIN: 00168211

Place: **New Delhi**
Dated: **25.05.2022**

Place: **Udaipur**
Dated: **25.05.2022**

Sd/-
Prahlad Bilochi
Chief Financial Officer

Sd/-
Prinkle Talesara
Company Secretary
& Compliance Officer
M. No. A60017

Shree Rajasthan Syntex Limited
Statement of Cash flows for the year ended 31st March, 2022
CIN:- L24302RJ1979PLC001948

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash flow from operating activities		
Net profit before tax	(3,642.88)	(2,414.49)
Adjustments for Depreciation	437.80	438.52
Sundry balances / Excess Liabilities written back	109.46	(59.47)
Unrealised Foreign Exchange Fluctuation (Net) (Gain)/Loss	-	-
Allowances for expected credit loss	343.75	140.55
Bad Debts	-	-
Interest Expense	2,768.86	1,802.47
Loss/(Profit) on sale of fixed assets	-	-
Interest Income	(7.25)	(55.49)
Operating profit before working capital changes	9.74	(147.91)
Adjustments for:-		
Inventories	26.50	183.01
Trade Receivables	(60.35)	85.03
Loans	-	18.77
Other financial assets	(5.50)	(4.98)
Other non-financial assets	101.27	54.75
Trade payables	(2.28)	(384.59)
Other financial liabilities	12.25	54.83
Other non-financial liabilities	3.35	(42.90)
Non Current & Current Provisions	3.62	(13.38)
Cash generated from operations	88.60	(197.37)
Income tax paid/ (TDS Refundable)	(22.69)	(7.37)
Net cash inflow/(outflow) from operating activities	65.91	(204.74)
B. Cash flow from investing activities		
Purchase of property, plant & equipment	(1.54)	(0.77)
Sale proceeds of fixed assets	-	0.37
Sale proceeds of investments	-	-
Interest Received	7.25	55.49
Net cash inflow / (outflow) from investing activities	5.71	55.09
C. Cash inflow/(outflow) from financing activities		
Increase /(Decrease) in Long-Term Borrowings	(52.53)	(1,299.41)
Increase /(Decrease) in Short-Term Borrowings	105.07	150.11
Payment of lease liability	(21.19)	(14.92)
Interest paid	(154.69)	(53.91)
Net cash inflow / (outflow) used in financing activities	(123.34)	(1,218.13)
Net changes in cash and cash equivalents	(51.72)	(1,367.78)
Opening Cash and cash equivalents	72.35	1,440.13
Closing Cash and cash equivalents	20.63	72.35

Note:

- (i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7
(ii) Refer note no. 12 and 13 for components of cash and cash equivalents

See accompanying notes to the financial statements 1 to 66

As per our report of even date attached

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

**For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited**

Sd/-
Vardhman Doogar
Partner
M. No 517347

Sd/-
Vikas Ladia
Managing Director & CEO
DIN: 00256289

Sd/-
Anubhav Ladia
Whole Time Director
DIN: 00168312

Sd/-
Narendra Nath Agrawala
Independent Director
DIN: 00168211

Place: New Delhi
Dated: 25.05.2022

Place: Udaipur
Dated: 25.05.2022

Sd/-
Prahlad Bilochi
Chief Financial Officer

Sd/-
Prinkle Talesara
Company Secretary
& Compliance Officer
M. No. A60017

Shree Rajasthan Syntex Limited
Statement of changes in equity for the year ended March 31, 2022
CIN:- L24302RJ1979PLC001948

A. Equity Share Capital

(Rs. in Lakhs)

Balance as at April 1, 2020	Movement during the year 2020-21	Balance as at March 31, 2021	Movement during the year 2021-22	Balance as at March 31, 2022
1,370.23	-	1,370.23	-	1,370.23

B. Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General Reserve	Capital Redemption Reserve	Share Premium	Securities Premium	Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at 1st April, 2020	177.12	500.00	1,998.42	718.82	(6,006.86)	179.80	(2,432.70)
Loss for the year	-	-	-	-	(2,414.49)	-	(2,414.49)
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	-	59.54	59.54
Balance as at March 31, 2021	177.12	500.00	1,998.42	718.82	(8,421.35)	239.34	(4,787.65)
Loss for the year	-	-	-	-	(3,642.88)	-	(3,642.88)
Other comprehensive income (loss) for the year (net of income tax)	-	-	-	-	-	6.04	6.04
Balance as at March 31, 2022	177.12	500.00	1,998.42	718.82	(12,064.23)	245.38	(8,424.49)

See accompanying notes to the financial statements

1 to 66

As per our report of even date

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors of
Shree Rajasthan Syntex Limited

Sd/-
Vardhman Doogar
Partner
M. No 517347

Sd/-
Vikas Ladia
Managing Director & CEO
DIN: 00256289

Sd/-
Anubhav Ladia
Whole Time Director
DIN: 00168312

Sd/-
Narendra Nath Agrawala
Independent Director
DIN: 00168211

Place : New delhi
Dated : 25.05.2022

Place : Udaipur
Dated : 25.05.2022

Sd/-
Prahlad Bilochi
Chief Financial Officer

Sd/-
Prinkle Talesara
Company Secretary
& Compliance Officer
M. No. A60017

Shree Rajasthan Syntex Limited

Notes forming part of the financial statements for the year ended March 31, 2022

Note – 1 – Company overview

Shree Rajasthan Syntex Limited ("The Company") was incorporated on November 15, 1979. We at SRSL have served the Textile Raw Material chain for several years. This has been possible due to our fair and ethical business practices and contribution of all members of staff and workers of the company. Using best available manufacturing practices and technology from our machinery partners, we have always aimed at delivering "Efficient Solutions" to our customers.

Note – 2 – Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost conversion on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) rules, 2015 and relevant amendments rules issued thereafter.

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

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the company.

2.1 Summary of significant accounting policies

a. Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is inclusive of excise duty and net of returns, discounts and exclusive of Goods and Services Tax.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

(i) Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

The performance obligation in case of sales of goods is satisfied at a point in time i.e., Revenue from export sales is recognized on the basis of bill of landing while Domestic sales is recognized on the basis of ex-factory dispatch as may be specified in the contract.

(ii) Rendering of Services

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract,

Shree Rajasthan Syntex Limited**Notes forming part of the financial statements for the year ended March 31, 2022**

excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its most likely amount, which is assessed at each reporting period.

(iii) Export Incentives

Export benefits/incentives are accounted for on accrual basis.

(iv) Insurance and Other Claims

In accordance with the consistent practice, insurance and other claims, to the extent considered recoverable, are accounted for in the year relevant to claim while the balance is accounted for on settlement.

b. Employee benefits**(i) Short term Employee Benefits**

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

(ii) Post Employment Benefits**(a) Defined Contribution Plans****Provident Fund**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

(b) Defined benefit plans**Gratuity**

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the year end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- (a) The date of the plan amendment or curtailment, and
- (b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Compensated absences

Benefits under the Company's leave encashment constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year-end using the Projected Unit Credit Method. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

c. Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition less accumulated depreciation. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and others non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Cotton Yarn Unit (Polycot Yarn Division) is stated at cost without availing CENVAT, and Thermal Power Plant is stated without availing Service CENVAT. All costs including financing costs till commencement of commercial production and adjustment arising from exchange rate variations relating to borrowings attributable to the Property, plant and equipment are capitalized.

Property, plant and equipment under construction are disclosed as capital work in progress.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Gains or losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d. Intangible assets

Intangible asset represents computer software acquired by the Company carried at cost of acquisition less amortisation. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of the carrying value of another asset.

Shree Rajasthan Syntex Limited

Notes forming part of the financial statements for the year ended March 31, 2022

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangibles recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangibles.

e. Depreciation and amortisation expenses

Depreciation on Property, plant and equipment is provided on the straight-line method, as per useful life prescribed in Schedule II to the Companies Act, 2013. Further for amortisation of intangible assets useful life is 3 years to 5 years.

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has aligned the depreciation rates based on the useful lives as specified in Part 'C' of Schedule II to the Act.

Assets costing Rs.5000/- or less acquired on or after 1.7.1993 are fully depreciated.

The company provides for depreciation on following plant & machinery considering the same as continuous process plant.

(i) Filament Yarn Division, Spun Yarn Division and Cotton Yarn Division

(ii) Power Generation Equipment

Freehold land and leasehold land are not depreciated.

Depreciation on additions is provided on a pro-rata basis from the date of acquisition/installation. Depreciation on sale/deduction from fixed assets is provided for upto the date of sale/adjustment, as the case may be.

f. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories includes all costs incurred in bringing the inventories to their present location and condition. Cost of inventories has been determined as under:

Raw Material	At Batch cost
Work in progress	a) Preparatory stage - at cost b) Yarn stage - at cost or net realizable value, whichever is lower
Finished Goods	At cost or net realizable value whichever is lower.
Traded stock	At Cost of purchase or net realizable value whichever is lower.
Stores and Spares	At First In First Out method.
Waste and scrap	At Net realizable value
Fuel	Monthly moving weighted average
Goods-held-in -Trust (Job WIP)-Cost of conversion incurred.	

g. Borrowing costs

Borrowing costs that are attributable to the acquisition of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

h. Leases

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount.

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

The Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

i. Income taxes

Income tax expense represents the sum of current and deferred tax (including MAT). Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the Balance Sheet approach. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

j. Earnings per share

Shree Rajasthan Syntex Limited

Notes forming part of the financial statements for the year ended March 31, 2022

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.

k. Foreign Currency Transactions

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

In preparing the financial statements, transaction in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit & loss of the period.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency is translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements is recognised in profit or loss in the period in which they arise. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

l. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

Financial assets carried at amortised cost

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

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

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

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

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Financial liabilities

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

m. Impairment of assets

(i) Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in Statement of Profit or Loss.

(ii) Non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Ind AS 36 'Impairment of Assets', to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

n. Cash and cash equivalents

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

o. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are 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 or 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. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

p. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

2.2. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Contingent Liabilities:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and constructive claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events

b) Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the company.

c) Taxes:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

d) Defined benefit plans:

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

3 Property, plant and equipment

(Rs. in Lakhs)

Particulars	Leasehold Land	Freehold Land	Building	Tube Well	Plant and Machinery	Electric Installation	Water Supply Installations	Material Handling Equipment	Air Conditioner	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross carrying amount													
As at April 1, 2020	13.76	3.29	2,551.84	9.69	17,331.76	1,008.94	94.78	25.65	19.66	175.38	98.21	70.95	21,403.91
Additions	-	-	-	-	-	-	-	-	0.26	0.04	0.47	-	0.77
Disposal/Adjustments	-	-	-	-	3.12	-	-	-	-	-	2.99	-	6.11
As at March 31, 2021	13.76	3.29	2,551.84	9.69	17,328.64	1,008.94	94.78	25.65	19.92	175.42	95.69	70.95	21,398.57
Additions	-	-	-	-	-	-	-	-	-	0.11	1.43	-	1.54
Disposal/Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	13.76	3.29	2,551.84	9.69	17,328.64	1,008.94	94.78	25.65	19.92	175.53	97.12	70.95	21,400.11
Accumulated Depreciation													
As at April 1, 2020	-	-	1,270.73	8.66	11,682.87	810.81	43.41	20.15	17.25	154.23	91.58	57.21	14,156.90
Depreciation for the year	-	-	64.61	0.20	338.69	11.34	3.72	0.37	0.57	2.46	1.03	2.40	425.39
Disposal/reversal	-	-	-	-	2.96	-	-	-	-	-	2.78	-	5.74
As at March 31, 2021	-	-	1,335.34	8.86	12,018.60	822.15	47.13	20.52	17.82	156.69	89.83	59.61	14,576.55
Depreciation for the year	-	-	64.61	0.18	334.62	10.60	3.47	0.37	0.52	2.41	1.25	1.79	419.82
Disposal/reversal	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	-	-	1,399.95	9.04	12,353.22	832.75	50.60	20.89	18.34	159.10	91.08	61.40	14,996.37
Net Carrying amount													
As at March 31, 2021	13.76	3.29	1,216.50	0.83	5,310.04	186.79	47.65	5.13	2.10	18.73	5.86	11.34	6,822.02
As at March 31, 2022	13.76	3.29	1,151.89	0.65	4,975.42	176.19	44.18	4.76	1.58	16.43	6.04	9.55	6,403.74

Shree Rajasthan Syntex Limited

Notes forming part of financial statements for the year ended March 31, 2022

4 Intangible assets**(Rs. in Lakhs)**

Particulars	Computer Softwares
Gross carrying amount	
As at April 1, 2020	1.06
Additions	-
Disposal/Adjustments	-
As at March 31, 2021	1.06
Additions	-
Disposal/Adjustments	-
As at March 31, 2022	1.06
<u>Accumulated amortisation</u>	
As at April 1, 2020	0.83
Amortisation during the year	0.18
Disposal/Adjustments	-
As at March 31, 2021	1.01
Amortisation during the year	-
Disposal/Adjustments	-
As at March 31, 2022	1.01
<u>Net Carrying amount</u>	
As at March 31, 2021	0.05
As at March 31, 2022	0.05

5 Right of use asset

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	29.44	12.80
Right of asset booked during the year	34.59	29.58
Less :- Amortisation during the year	-17.99	-12.94
Closing Balance	46.04	29.44

6 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortized cost		
Unsecured considered good		
Loans & advances to related parties (SRSL Employees Welfare Trust)	46.98	46.98
Total	46.98	46.98

7 Other non-current financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortized cost		
Unsecured, considered good		
Security deposits	125.47	119.97
Total	125.47	119.97

8 Deferred tax assets (net) #

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets	1,860.23	1,860.23
Deferred tax liability	(1,642.80)	(1,642.80)
MAT Credit entitlement	224.17	224.17
Total	441.60	441.60

Refer note no.44

9 Other non-current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non financial assets at amortized cost		
Unsecured, considered good		
Prepaid expenses	5.00	-
Interest Subsidy Recoverable (TUFS)	293.91	293.91
Claims and exports incentives receivables	3,942.51	4,301.55
	4,241.42	4,595.46
Unsecured considered doubtful		
Claims and exports incentives receivables	239.20	162.38
Less: Allowances for expected credit loss	(239.20)	(162.38)
	-	-
Total	4,241.42	4,595.46

10 Inventories

(at cost or net reliable value, whichever is lower)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials		
- Man made fibre	28.76	22.42
- Fibre Stock in Deptt.	-	-
- Stock in transit	3.13	0.36
Work-in-progress	34.38	15.41
Job work stock	36.09	73.47
Finished Goods	31.09	40.13
Stock-in-trade	1.27	2.20
Stores and spares	141.22	140.27
- Stock in transit	6.40	10.07
Others		
- Waste & Scrap	0.21	4.72
	282.55	309.05
Less: Allowance for impairment loss for stores and spares*	108.07	-
Total	174.48	309.05

*Refer note no.45

11 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables Considered good - unsecured	118.38	91.93
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables - credit impaired	33.88	-
	152.26	91.93
Less: Allowance for impairment loss	33.88	-
Total	118.38	91.93

Trade receivables ageing schedule for the year ended as on March 31, 2022

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	Above 3 years	Total
As at 31 March 2022							
Undisputed trade receivable- considered good	91.10	25.38	1.90	-	-	-	118.38
Undisputed trade receivable -Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-Credit impaired	-	-	-	-	-	33.88	33.88
Total	91.10	25.38	1.90	-	-	33.88	152.26
Less: Allowance for credit loss	-	-	-	-	-	33.88	33.88
Net	91.10	25.38	1.90	-	-	-	118.38

Trade receivables ageing schedule for the year ended as on March 31, 2021

Particulars	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	Above 3 years	Total
As at 31 March 2021							
Undisputed trade receivable- considered good	33.34	22.44	0.36	-	2.09	33.70	91.93
Undisputed trade receivable -Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	-
Total	33.34	22.44	0.36	-	2.09	33.70	91.93
Less: Allowance for credit loss	-	-	-	-	-	-	-
Net	33.34	22.44	0.36	-	2.09	33.70	91.93

12 Cash & cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5.81	3.19
Cheques, drafts on hand	-	0.42
Balances with banks		
- In current accounts	14.59	68.52
- In deposit accounts with maturity less than three months	-	-
Total	20.40	72.13

13 Bank balances other than cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Bank deposit (maturity above 3 and upto 12 months)	0.23	0.22
Total	0.23	0.22

14 Loans

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortized cost		
Unsecured considered good		
Loans & advances to related parties (SRSL Employees Welfare Trust)	31.77	31.77
Less: Allowance for credit loss	18.77	18.77
Total	13.00	13.00

15 Other current financial assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assets at amortized cost		
Unsecured considered good		
Others	-	-
Total	-	-

16 Other current assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good		
Advances to suppliers	72.66	52.35
Other advance recoverable in cash or kind	4.01	2.52
Balance with government authorities	234.77	315.85
Others	76.17	83.16
Total	387.61	453.88

17 Current tax assets (net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance taxes including TDS receivable (net of provision for tax)	91.07	68.38
Total	91.07	68.38

18 Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
Authorised				
Equity shares of Rs. 10 each	26,000,000	2,600.00	26,000,000	2,600.00
Non convertible cumulative redeemable preference shares #	600,000	600.00	600,000	600.00
Total	26,600,000	3,200.00	26,600,000	3,200.00
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each *	13,702,301	1,370.23	13,702,301	1,370.23
Total	13,702,301	1,370.23	13,702,301	1,370.23

* Out of above equity shares, 37,59,899 equity shares of Rs. 10/- each fully paid have been allotted to erstwhile share holders of the amalgamating Company M/s Shree Rajasthan Texchem Ltd., pursuant to the scheme of amalgamation as approved by the Hon'ble High Court of Rajasthan, Jodhpur without payment being received in cash.

1,70,000 non convertible cumulative redeemable preference shares of Rs. 100 each issued @ 11% are classified as financial liability (Refer Note 20)

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares		Number of shares	
Shares at the beginning of the year		13,702,301		13,702,301
Movement during the year		-		-
Shares outstanding at the end of the year		13,702,301		13,702,301

(b) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of Rs 10/- each. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividends as and when declared by the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholding.

(c) Detail of shareholders holding more than 5% shares of the aggregate shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid				
SRSL Securities Ltd.	2,107,855	15.38	2,107,855	15.38
V.K. Ladia	887,868	6.48	866,018	6.32
Shree Shyam Distributors & Maktg. (P) Ltd.	801,924	5.85	801,924	5.85
V.K. Texchem Private Limited	744,871	5.44	744,871	5.44

(d) Shareholding of promoter(s): -

S.No.	Shareholder's name	As at March 31, 2022		As at March 31, 2021		Change during the Year (%)
		No. of shares	% of total shares	No. of shares	% of total shares	
A	Promoter					
1	Vinod Kumar Ladia	887,868	6.48%	866,018	6.32%	0.16%
B	Promoter Group					
1.	SRSL Securities Ltd.	2,107,855	15.38%	2,107,855	15.38%	-
2.	Shree Shyam Distributors and Marketing Private Limited	801,924	5.85%	801,924	5.85%	-
3.	Vikas Ladia	524,365	3.83%	502,515	3.67%	0.16%
4.	Rajasthan State Industrial Development and Investment Corporation Limited	440,934	3.22%	440,934	3.22%	-
5.	Anubhav Ladia	291,882	2.13%	270,032	1.97%	0.16%
6.	Vikas Ladia (HUF)	47,495	0.35%	47,495	0.35%	-
7.	Anubhav Ladia (HUF)	35,000	0.26%	35,000	0.26%	-
8.	Vinod Kumar Ladia (HUF)	-	-	87,400	0.64%	-0.64%
9.	Puja Ladia	25,101	0.18%	25,101	0.18%	-
10.	Pooja Toshniwal	25,982	0.19%	25,982	0.19%	-
11.	Poonam Ladia	561,934	4.10%	540,084	3.94%	0.16%
12.	VK Texchem Private Limited	744,871	5.44%	744,871	5.44%	-
	Total A+B	6,495,211	47.41%	6,495,211	47.41%	0.00%

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

19 Other equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General Reserve	Capital Redemption Reserve	Share Premium	Securities Premium	Retained Earnings	Re-measurement of the net defined benefit plans	
Balance as at April 1, 2020	177.12	500.00	1,998.42	718.82	(6,006.86)	179.80	(2,432.70)
Loss for the year	-	-	-	-	(2,414.49)	-	(2,414.49)
Other comprehensive income (expense) (net of tax)	-	-	-	-	-	59.54	59.54
Balance as at March 31, 2021	177.12	500.00	1,998.42	718.82	(8,421.35)	239.34	(4,787.65)
Loss for the year	-	-	-	-	(3,642.88)	-	(3,642.88)
Other comprehensive income (expense) (net of tax)	-	-	-	-	-	6.04	6.04
Balance as at March 31, 2022	177.12	500.00	1,998.42	718.82	(12,064.23)	245.38	(8,424.49)

Note :-

(i) **General reserve**

General Reserve represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

(ii) **Capital Redemption Reserve**

Capital Redemption reserve is a statutory, non-distributable reserve created on account of redemption of debentures as per the provisions of Companies Act, 2013 which can be utilised for issue of bonus shares.

(iii) **Share Premium**

Share premium represents the amount received in excess of par value of securities. Section 52 of Companies Act, 2013 specify restriction and utilisation of share premium.

(iv) **Securities Premium**

Securities Premium represents reserve created at the time of amalgamation.

(v) **Retained Earnings**

Retained earnings represent the undistributed profits of the Company .

(vi) **Other Comprehensive Income**

Other comprehensive income represents the balance in equity for items to be accounted in other comprehensive income.

20 Non-current borrowings

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
A. Term loans (Secured)		
From banks	2,714.68	2,857.49
Less : Current maturities of long term debt	(2,714.68)	(2,857.49)
Less : Unamortised processing fee	-	-
	-	-
B. Redeemable preference share capital	256.04	233.44
	256.04	233.44
C. Fixed Deposits (Unsecured)		
- from directors	-	-
- from related parties	314.58	316.90
	314.58	316.90
Less : Current maturities of long term debt	-	-
	314.58	316.90
D. Inter Corporate Loan (Unsecured)	86.29	16.29
	86.29	16.29
E. Loan from Directors (Unsecured)		
	8.23	8.23
	8.23	8.23
Total	665.14	574.86

a) Details of security for term loan

Term Loans from IDBI Bank Ltd. (IDBI) , State Bank of India (SBI) , and Bank of Baroda (BOB) are secured by a joint equitable mortgage, by deposit of title deeds over the company's immovable assets and a charge by way of hypothecation of all movable assets (except Plant & Machinery exclusively charged in favour of BOB for Loan of Rs.1010.00 Lakhs (March 31, 2021 Rs. 1010.00 Lakhs) present and future subject to prior charges on specified movables created in favour of company's Bankers along with personal guarantee of two directors. The mortgage and charges created shall rank pari-passu inter-se amongst the financial Institution and Banks.

b) Terms and conditions for preference shares

1.7 Lakhs (March 31, 2021: 1.7 Lakhs) 11% non convertible cumulative redeemable preference shares of Rs. 100 each are redeemable at par on or before September 05, 2027.

c) Maturity Profile of Secured Term Loans from Banks :

As the company defaulted in repayment of term loan,entire outstanding become payable on demand , hence treated as current liabilities

d) Maturity Profile of Unsecured Fixed Deposits are as set out below :

(Rs. in Lakhs)

Repayment Due in Financial Years	As at March 31, 2022	As at March 31, 2021
2022-2023	11.69	14.01
2023-2024	302.89	302.89
Total	314.58	316.90

e) Maturity Profile of Unsecured Inter corporate Deposits are as set out below :

(Rs. in Lakhs)

Repayment Due in Financial Years	As at March 31, 2022	As at March 31, 2021
2022-2023	0.00	0.00
2023-2024	70.00	0.00
2024-2025	0.00	0.00
2025-2026	16.29	16.29
Total	86.29	16.29

f) Maturity Profile of Unsecured loan from Directors are as set out below :

(Rs. in Lakhs)

Repayment Due in Financial Years	As at March 31, 2022	As at March 31, 2021
2022-2023	0.00	0.00
2023-2024	0.00	0.00
2024-2025	0.00	0.00
2025-2026	8.23	8.23
Total	8.23	8.23

g) Interest provided as per last sanctions by banks,Interest Rate on borrowings from banks within range from 12.15% to 13.75%

h) Interest Rate on Unsecured loan within range from 6 % to 9%

21 Non Current Lease Liability

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability #	39.96	19.82
Total	39.96	19.82

Refer note no. 46

22 Other non-current financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current Financial liabilities at amortized cost Deposits	144.06	144.45
Total	144.06	144.45

23 Non-current provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provison for employee benefits (refer note no.43)	96.29	95.98
Total	96.29	95.98

24 Current borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings from Banks		
(i) Working capital loan	5,494.75	5,389.68
(ii) Current Maturities of long term borrowings	2,714.68	2,857.49
Borrowings from Others		
(i) Current maturities	-	-
Total	8,209.43	8,247.17

Details of security for working capital loans

Borrowings for Working Capital from State Bank of India, Bank of Baroda , State Bank of India (Erstwhile SBBJ) and IDBI Bank Ltd. are secured by hypothecation of raw materials, stock-in-process, stock-in-transit, finished goods, consumable stores and spares and book debts and are further secured by way of second charge on immovable assets of the Company ranking pari-passu inter-se amongst the Bankers and along with personal guarantee of two directors.

Interest provided as per last sanctions by banks, Interest Rate on borrowings from banks within range from 12.15% to 13.75%

25 Trade payables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
(i) Due to micro and small enterprises	20.65	24.06
(ii) Due to others	1,007.96	1,008.28
Acceptances #	1,299.61	1,299.61
Total	2,328.22	2,331.95

Represents credit availed by the Company from banks for payment to suppliers for raw materials purchased by the Company. The arrangements are interest-bearing and are overdue.

Trade payables ageing schedule for the year ended as on March 31, 2022

Particulars	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
MSME	2.38	0.93	1.59	1.88	6.78
Others	305.85	49.98	76.59	536.37	968.79
Acceptances	-	-	-	1,299.61	1,299.61
Disputed dues-MSME	13.87	-	-	-	13.87
Disputed dues-Others	-	0.38	-	38.79	39.17
Total trade payables	322.10	51.29	78.18	1,876.65	2,328.22

Trade payables ageing schedule for the year ended as on March 31, 2021

Particulars	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
MSME	3.19	1.95	2.24	-	7.38
Others	319.93	83.85	453.96	111.38	969.12
Acceptances	-	-	-	1,299.61	1,299.61
Disputed dues-MSME	16.68	-	-	-	16.68
Disputed dues-Others	0.38	-	15.06	23.72	39.16
Total trade payables	340.18	85.80	471.26	1,434.71	2,331.95

26 Current Lease Liability

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability #	10.09	10.12
Total	10.09	10.12

Refer note no. 46

27 Other current financial liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities at amortized cost		
(iv) Interest accrued and due on borrowing	7,150.71	4,607.83
(v) Employees related payables	340.45	328.30
(vi) Deposit & advances	10.70	10.20
(vii) Interest accrued but not due on borrowing	66.58	2.01
Total	7,568.44	4,948.34

Refer note no. 20 for security and other terms related to borrowings

28 Current provisions

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provison for employee benefits (refer note no.43)	62.04	71.13
Total	62.04	71.13

29 Other current liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances from customers	8.47	9.21
Statutory dues payable	15.32	11.52
Other liabilities	17.27	16.98
Total	41.06	37.71

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

30 Revenue from operations

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
- Domestic	2,127.44	1,855.81
- Export	-	-
Sale of services		
- Job work	2,950.01	1,807.28
Total revenue from operations	5,077.45	3,663.09

31 Other income

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income :-		
- Interest recovered from customers	-	0.46
- Interest received on bank FDR's, loans & others	7.25	55.49
Sundry balances / excess liability written back	10.09	81.91
Rental income /lease rent Received	0.03	0.87
Miscellaneous Income	-	20.48
Total other income	17.37	159.21

32 Cost of material consumed

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw Material Consumption	977.30	917.36
Dyes & Chemical Consumption	-	-
Packing Material Consumption	124.92	101.43
Total cost of material consumed	1,102.22	1,018.79

33 Purchases of Stock-in-trade

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Yarn	602.88	133.46
Fibre/Others	112.04	100.57
Total purchases of stock-in-trade	714.92	234.03

34 Changes in inventories

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year		
Yarn	40.13	106.85
Work in process	15.41	130.50
Waste & Scrap	4.72	9.01
Fabrics	2.20	2.19
Job Work Stock	73.47	-
	135.93	248.55
Inventories at the end of the year		
Yarn	31.09	40.13
Work in process	34.38	15.41
Waste & Scrap	0.21	4.72
Fabrics	1.27	2.20
Job work stock	36.09	73.47
	103.04	135.93
Total changes in inventories	32.89	112.62

35 Employee benefit expenses

(Rs. in Lakhs)		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries & wages including bonus	1,030.43	796.49
Contribution to provident and other funds	112.63	111.47
Staff welfare expenses	9.23	10.44
Total employee benefit expenses	1,152.29	918.40

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

36 Finance cost

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses on :-		
- term loans #	1,041.48	582.63
- other bank borrowings facilities #	1,654.55	1,160.15
- other	50.22	39.43
Dividend on redeemable preference shares	22.60	20.27
Other borrowing costs		
- bank and finance charges	2.04	15.66
Loss on foreign currency transactions & translation	-	-
Total finance cost	2,770.89	1,818.14

#As the financial restructuring plan is no longer being pursued and other financial resolution are being considered by banks, interest has been recalculated on the basis of last implemented sanctions of loans, current year's interest includes Rs.720.32 lacs related to earlier years. In the absence of details from bank in respect of penal interest and other penalties, if any has not been accounted for.

37 Depreciation and amortisation expenses

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on tangible assets	419.81	425.40
Amortisation of intangible assets	-	0.18
Amortisation of right of use asset	17.99	12.94
Total depreciation and amortisation expense	437.80	438.52

38 Other expenses

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Manufacturing expenses:		
Stores & spares	30.81	19.71
Packing expenses	11.08	9.75
Power & fuel	1,554.69	1,166.69
Repairs & maintenance on:		
- Plant & machinery	211.30	93.67
- Building	18.80	11.60
- General	2.91	3.28
Sundry manufacturing expenses	68.09	58.38
Administrative & other expenses:		
Directors sitting fees	1.40	1.19
Rent, rates & taxes	29.39	26.05
Travelling (including directors travelling)	11.90	5.76
Insurance charges	6.59	9.30
Vehicle upkeep	5.85	10.81
Office expenses	14.35	15.50
Legal & professional expenses	18.96	21.03
Fees & cess	6.89	6.51
Loss on sale of fixed assets	-	-
Allowances for expected credit loss	343.75	140.55
Sundry balances written off / claim settlement	119.55	22.43
Misc. expenses	57.08	50.21
Auditors remuneration:		
Audit fee	2.50	2.50
Tax audit fee	0.50	0.50
Other services	-	0.10
Audit expenses	0.18	0.07
Internal audit fee & expenses	0.25	0.29
Cost audit fee & expenses	0.30	0.30
Selling expenses:		
Commission & brokerage	0.11	0.01
Freight & forwarding (net of recoveries)	9.08	19.80
Others	0.38	0.30
Total other expenses	2,526.69	1,696.29

Shree Rajasthan Syntex Limited**Notes forming part of financial statements for the year ended March 31, 2022****39 Earnings per share**

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) attributable to equity shareholders (Rs.) (A)	(3,642.88)	(2,414.49)
Weighted average number of outstanding equity shares (B)	13,702,301	13,702,301
Nominal value per equity share (Rs.)	10.00	10.00
Basic EPS (Rs. in Lakhs) (A/B)	(26.59)	(17.62)
Diluted EPS (Rs. in Lakhs) (A/B)	(26.59)	(17.62)

40 Contingent liabilities and commitments**(i) Contingent liabilities**

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Guarantees issued by bank on behalf of the Company	Nil	Nil
b) Disputed demands under excise, customs & service tax	50.60	59.31
c) Claims against the company not acknowledged as debt	-	2.33

- d) The Income tax authorities have decided cases for the assessment year upto 2020-21. The department/ company has referred the cases to the Hon'ble High Court of Rajasthan, ITAT, CIT(A). The advance Income tax/ MAT paid by the Company shall be adjusted on the decision of the Hon'ble High Court of Rajasthan, ITAT, CIT(A).
In view of carry forward losses no provision is required towards Income Tax.
- e) Assessment of Sales Tax has been completed upto 2017-18 (April to June 2017). Assessing officer raised a demand of Rs. 25.85 Lakhs for 2016-17 and Rs. 7.47 Lakhs for 2017-18. Company has filed rectification application against the order. The Annual return of GST for the assessment years 2017-18 to 2020-21 are filed, liabilities if any, arising thereon shall be accounted for in the year of assessment.
- f) In case of Disputed demands under excise, customs and service tax, the company has deposited Rs.10.88 Lakhs (previous year Rs. 20.11 Lakhs) under protest.
- Legal Cases**
- g) The company has challenged the ESI demand of Rs 23.81 Lakhs in High Court of Rajasthan as the provisions were not applicable at that time. Demand of Rs. 4.09 Lakhs (including ESI Rs. 2.90 lakhs towards damages for late payment) has been challenged in ESI court Udaipur. A sum of Rs.1.45 lakhs deposited under protest.
- h) The Company suffered losses due to breaches/non-fulfillment of the terms and conditions of the Contract with M/s. Kirloskar Oil Engines Ltd. in respect of 2 Nos. DG set of 2.5 MW supplied by them. These losses have been partly recovered by the Company by encashment of Bank Guarantee taken under the Contract with the party. For balance recovery of Rs. 234.23 Lakhs suit against KOEL is filed. M/s Kirloskar Oil Engines Ltd has also filed a counter claim of Rs. 603.57 Lakhs for recovery of invoked bank guarantees including Rs.53.56 Lakhs as interest and Rs.50 Lakhs compensation.
- i) The Company has filed refund application of Rs 252.32 Lakhs (Previous Year Rs.252.32 Lakhs) paid as Entry Tax for the year 2001-02 to 2005-06. As per interim order while disposing of SLP by Hon'ble Supreme court of India Company has further deposited Rs. 231.06 Lakhs (Previous Year Rs.231.06 Lakhs) towards entry tax for the year 2006-07 to 2014-15. On 11th Nov 2016 Hon'ble Supreme court has decided SLP confirming that state can levy entry tax, however state cannot discriminate levy of entry tax. On the basis of legal opinion obtained Company has filed writ petition before Hon'ble High court of Rajasthan, Jodhpur on the basis of discrimination on 12th July 2017. A sum of Rs. 483.38 Lakhs (Previous Year Rs.483.38 Lakhs) shown as recoverable.
- j) The company has claimed subsidy of Rs. 1237.84 Lakhs under Rajasthan Investment Promotion Scheme, 2003 (RIPS 2003). The claims not accepted by the Department in toto and disallowed claims of Rs. 646.03 Lakhs and also levied interest of Rs.267.39 lacs for the period from 2007-08 to 2017-18. The company has filed a writ before the Hon'ble Highcourt of Rajasthan for the same. A sum of Rs. 72.54 Lakhs deposited under protest while filling appeals of disallowances and interest demand.
- k) As per legal opinion Urban Cess and Water Cess levied by State of Rajasthan is not leviable on the company being established at RIICO Industrial land. The entire amount of Rs.245.95 Lakhs paid upto 31.03.2012 was charged to profit and loss account has become recoverable. The company has accounted this amount of Rs.245.95 Lakhs under the head demand deposited under Protest recoverable Account in the year 2017-18. A sum of Rs. 1228.20 Lakhs paid from financial Year 2010-11 to 2019-20 stands recoverable under the head Urban Cess / Water Cess deposited under Protest Account (Previous year Rs. 1228.20 Lakhs). The company has also accounted the interest recoverable upto 31.03.2019 of Rs. 339.83 Lakhs based on the legal opinion obtained. The company has filed SLP in Supreme Court for the recovery of entire amount. From the financial year 2018-19 the AVVNL has stopped charging Urban Cess.
- l) The company has filed a writ petition with Hon'ble High Court of Rajasthan towards the payment of cross subsidy surcharge to AVVNL for the period April 2014 to November 2016. The disputed amount paid so far is Rs. 223.52 Lakhs (Previous year Rs. 223.52 Lakhs) including interest amount of Rs.54.30 Lakhs (Previous year Rs. 54.30 Lakhs).
- m) AVVNL has unilaterally charged 3% transformation losses amounting to Rs. 12.56 Lakhs on entire consumption instead of over and above of 5 MVA on pro-rata basis as per the earlier notification date 19.07.2004. Being aggrieved with the order, the Company has taken legal advice from the advocate and filed civil writ petition before the Hon'ble Rajasthan high Court

Shree Rajasthan Syntex Limited**Notes forming part of financial statements for the year ended March 31, 2022**

- n) As legally opined, the electricity duty levied by AVVNL on electricity supplied by Tata Power Trading Co. Ltd is unconstitutional and hence illegal and not leviable. The Company has filed writ petitions against this levy with Hon'ble High Court of Rajasthan . The Company disputes this levy and has deposited Rs 471.97 Lakhs under protest up to financial year 2017-18. The company has also accounted the interest recoverable upto 31.03.2019 of Rs. 78.98 Lakhs based on the legal opinion obtained.
- o) The Rajasthan Electricity Regulatory Commissioner levied additional surcharge @ Rs. 0.80 per unit on open access purchases. The Company filed writ petition with Hon'ble High Court Rajasthan. The company has paid Rs.508.06 Lakhs under protest upto financial year 2017-18.The company has also accounted the interest recoverable upto 31.03.2019 of Rs.67.91 Lakhs based on the legal opinion.
- p) The company has received demand notice from Electricity Inspection Department of Rs.18.32 Lakhs in Texchem division and Rs.3.97 Lakhs for Syntex Division . Being aggrieved with the order, company has filed writ petition before Hon'ble High court of Rajasthan, Jodhpur. Stay has been granted by Hon'ble High Court, Jodhpur in above matter on pre-condition to deposit advance amount of Rs. 12.50 Lakhs.The Company has deposited the amount under protest and matter is pending before Hon'ble High Court, Jodhpur.
- q) The company has shown TUF Subsidy receivable for the period Oct.2012 to Mar.2017 Rs. 290.28 lacs in the books of accounts (Previous year Rs. 290.28 lacs) on Term loan of Rs. 1625 lacs from SBI. The company has also accounted the interest recoverable upto 31.03.2019 of Rs. 75.23 lacs on the subsidy receivable amount. The matter is pending with NABCONS, an agency appointed by Ministry of Textiles, to reconcile the committed liability data for all units where TUFS subsidies are pending. During financial year 2019-20 the Ministry of Textile has issued directions to hold Joint Inspection for verification of pending TUFS claims. Accordingly application for Joint Inspection has been submitted by SBI which is under process by Ministry of Textiles. No such inspection has been carried out so far due to COVID-19 during 2019-20 and inspection is still due.
- r) The company has paid Rs. 18.70 Lakhs to M/s TUSCON ENGINEERS LTD. as per arbitration award given against the company. The company has filed an appeal with Hon'ble High Court of Rajasthan against the arbitration award.
- s) The central excise department wrongly recovered Rs. 28.18 Lakhs of duty along with Interest in sales tax incentive matter. The company has filed appeal before commissioner appeal towards wrong deduction.
- t) In respect of the supplies of coal from M/s Anik Industries Ltd, a quality claim by the company which was not accepted by the supplier, the matter was referred in arbitration. The Arbitral Tribunal decided the matter in favour of the supplier. The Company has challenged the order in Commercial court, Udaipur for recovery of Rs. 16.44 Lakhs (Net of Rs, 40.40 lakhs outstanding in the credit of supplier's account).
- u) The Company has received demand notice from AVVNL of Rs. 74.12 Lakhs towards special fuel surcharge for earlier years towards connection already surrendered. The Company has filed a writ petition with Hon'ble High Court , Rajasthan towards the demand against special fuel surcharge by AVVNL. The company has deposited Rs.10.29 Lakhs (Previous year Rs. 10.29 Lakhs) under protest .

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022
(ii) **Commitments**

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
(ii) Export commitments against import of capital goods and stores & spares under EPCG scheme (Duty saved amount)	Nil	Nil

41 The Company has accumulated loss of Rs. 118.19 crores (including Other Comprehensive Income) against paid up share capital of Rs. 13.70 crores as at 31 March, 2022 and its current liabilities exceed its current assets by Rs. 174.14 crores. Further the Company has also defaulted in repayment of borrowings from the lenders. The banks have informed that they will not pursue the restructuring scheme sanctioned earlier effective from 01st April 2017. The Company is under discussion with the banks for appropriate/ alternate Financial Resolution. Further, Bank of Baroda, the financial creditor (Member of Consortium arrangement) has filled petition u/s 7 of Insolvency Bankruptcy Code, 2016 before National Company Law Tribunal (NCLT, Jaipur) dated 4th May, 2022.

In response to the above application, the company is in process of filing of an application for Pre-Packaged Scheme u/s 54A read with section 10 of Insolvency Bankruptcy Code 2016. In view of the management's expectation of a successful outcome in future years, the statement has been prepared on going concern basis.

42 Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below: -

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Principal amount due outstanding	20.65	24.06
Interest due on (1) above and unpaid	3.67	2.03
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable	-	-

43 Employee benefits

a) Defined contribution plans: -

The Company has recognized following expense in respect of the defined contribution plans: -

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund	41.74	37.26
Contribution to employee state insurance	10.36	6.46
Total	52.10	43.72

b) Defined benefit plans: -

Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2022 and March 31, 2021 being the respective measurement dates: -

(i) Movement in present value of obligations

(Rs. in Lakhs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
Present value of obligation as at April 1, 2020	192.69	31.61
Current service cost	12.82	27.11
Interest cost	9.19	2.08
Benefits paid	(17.80)	(29.84)
Remeasurement- Actuarial loss/(gain) on obligation	(59.61)	-6.59
Present value of obligation as at March 31, 2021	137.29	24.37
Current service cost	12.27	17.15
Interest cost	8.79	1.68
Benefits paid	(21.60)	(10.15)
Remeasurement- Actuarial loss/(gain) on obligation	(6.00)	(13.27)
Present value of obligation as at March 31, 2022	130.75	19.78

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

(ii) Expenses recognised in the Statement of profit & loss

(Rs. in Lakhs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
Current service cost	12.82	27.11
Interest cost	8.83	2.08
Administrative Exp	0.08	-
Remeasurement - Actuarial loss/(gain)	-	(6.59)
For the year ended March 31, 2021	21.73	22.60
Current service cost	12.27	17.15
Interest cost	8.63	1.68
Administrative Exp	0.05	-
Remeasurement - Actuarial loss/(gain)	-	(13.27)
For the year ended March 31, 2022	20.95	5.56

(iii) Expenses recognised in the Other Comprehensive Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement - actuarial gain/(loss) on gratuity	(6.04)	(59.54)

(iv) The principal actuarial assumptions used are set out below: -

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality rate	100% of India Assured Lives 2012-14 Mod Ult	100% of India Assured Lives 2012-14 Mod Ult
Discount rate	6.90%	6.30%
Expected rate of increase in compensation	3.50%	3.50%
Expected average remaining service	18.72	19.54
Employee attrition rate	11.10%	11.10%

(v) Sensitivity Analysis

(Rs. in Lakhs)

Particulars	Change in assumption	Effect on gratuity	Effect on Leave encashment
Discount Rate	+ 1%	(456.00)	(69.00)
Discount Rate	- 1%	499.00	76.00
Salary growth rate	+1%	437.00	88.00
Salary growth rate	- 1%	(412.00)	(81.00)
Attrition rates up 10.0%	+10%	100.00	7.00
Attrition rates down 10.0%	-10%	(110.00)	(6.00)

(vi) Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

(Rs. in Lakhs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
1 April 2022 to 31 March 2023	44.02	7.49

44 Income tax expense

Management reviewed the deferred tax assets/liabilities on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date and in view of virtual uncertainty of taxable profits in near future, the deferred tax (net assets) on temporary differences, business losses and unabsorbed depreciation for the reporting financial year i.e. 01.04.2020 to 31.03.2022 has not been considered.

45 Registered valuer has done the valuation of stores,spares and accordingly the impairment loss has been taken

46 Leases

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. The disclosures under Ind AS 116 as a lessee in relation to leases are as follow: -

(i) The break-up of current and non-current lease liabilities as at the end of the reporting period is as follows: -

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	10.09	10.12
Non-current lease liabilities	39.96	19.82
Total lease liabilities	50.05	29.94

(ii) The expenses relating to short term leases for the year ended March 31, 2022 amounting to Rs.29.39 lakhs (Previous year Rs. 26.05 lakh).

(iii) The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Less than one year	20.71	13.14
One to five years	39.89	22.24
Total lease liabilities	60.60	35.38

(iv) The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2022:

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
LEASE LIABILITY		
Opening Balance	29.94	13.69
Addition as per Ind-AS 116	34.59	29.58
Finance cost accrued during the year as per Ind-AS 116	6.71	1.59
Payment of lease liabilities	(21.19)	(14.92)
Closing Balance	50.05	29.94

47 Expenditure towards Corporate Social Responsibility

In accordance with the provisions of Section 135 of the Companies Act, 2013, the company is not required to contribute any amount towards Corporate Social Responsibility, due to losses during the three immediately preceding financial years

Shree Rajasthan Syntex Limited

Notes forming part of financial statements for the year ended March 31, 2022

48 Related party disclosures

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

(a) Name and nature of related party relationships

(i) Directors

Mr. Vikas Ladia (Managing Director and Chief Executive Officer)
Mr. Anubhav Ladia (Whole Time Director)
Mr. Narendra Nath Agrawala (Independent Director)
Mrs. Manju Datta (Independent Director)
Mr.Sandeep Kumar Jain (w.e.f.12.08.2021)
Mr. Vinod Kumar Ladia (Chairman and Whole Time Director) (upto 10.08.2021)
Mr.Mohan Lal Sharma (Independent Director) (upto 12.08.2021)

(ii) Key Managerial Personnel

Mr. Vikas Ladia (Managing Director and Chief Executive Officer)
Mr. Anubhav Ladia (Whole Time Director)
Mr. Vinod Kumar Ladia (Chairman and Whole Time Director) (upto 10.08.2021)
Mr. Prahlad Bilochi (Chief Financial Officer)
Ms. Prinkle Talesara (Company Secretary) (w.e.f 23.04.2021)

(iii) Relatives of Directors and Key Managerial Personnel

Mr. Vinod Kumar Ladia (Chairman Emeritus) (from 12.08.2021)
Mrs. Monika Ladia
Mr. Aman Ladia

(iv) Enterprises over which Key Managerial personnel are able to exercise significant influence

M/s. A. M. Traders
M/s. Shree Shyam Distributors and Marketing Private Limited
M/s. V K Texchem Private Limited
M/s. PBS Marketing Private Limited
M/s. Shree Shyam Industries Private Limited
M/s. SRS� Employees Welfare Trust
M/s. SRS� Educational Society
M/s. SRS� Charitable Trust
M/s. SRS� Securities Ltd.
M/s. P.Talesara & Associates
M/s XBRL Solutions Pvt Ltd.

(b) Description of the nature of transactions with the related parties

(Rs. in Lakhs)

Details of transactions	Financial Year ended March 31, 2022			Financial Year ended March 31, 2021		
	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total
a. Fixed deposits taken	-	-	-	-	-	-
b. Fixed deposits repaid	2.32	-	2.32	20.53	7.61	28.14
c. Interest expenses on fixed deposits	36.03	-	36.03	34.23	0.50	34.73
d. Remuneration	27.54	103.42	130.96	15.64	117.03	132.67
e. Lease rent paid	1.80	-	1.80	1.80	-	1.80
f. Board meeting fees	-	1.40	1.40	-	1.19	1.19
g. Lease Rent Received	0.03	-	0.03	0.87	-	0.87
h. Loans taken	-	-	-	16.29	8.23	24.52
I. Professional Fee	0.77	-	0.77	-	-	-
J. Interest expenses on Loan	0.74	-	0.74	0.31	-	0.31

(c) Amount due to/ from related parties

(Rs. in Lakhs)

Details of transactions	As at March 31, 2022			As at March 31, 2021		
	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total	Related to KMP/ Enterprises over KMP are able to exercise significant influence	Transactions with Directors	Total
a. Payables						
i. Fixed deposits payable	314.58	-	314.58	316.90	-	316.90
ii. Redeemable Preference Share	170.00	-	170.00	170.00	-	170.00
iii. Rent payable	6.58	-	6.58	4.81	-	4.81
iv. Security Deposit Payable	62.00	-	62.00	62.00	-	62.00
v. Creditors	89.36	-	89.36	89.36	-	89.36
vi. Sitting Fees Payable	-	0.23	0.23	-	0.97	0.97
vii. Interest Payable	65.64	-	65.64	33.89	-	33.89
viii. Loans Payable	16.29	8.23	24.52	16.29	8.23	24.52
b. Receivables						
i. Loan receivables	78.75	-	78.75	78.75	-	78.75

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

49 Segment reporting

The Company is primarily engaged in Production of Textile products having similar economic characteristics, Revenue from other segment is less than 10% of total revenue.

The Board of Directors of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of Ind-AS 108 'Operating Segments'. The entity wide disclosures required by Ind-AS 108 are made as follows: -

A. Entity Wide Disclosures:

(i) Revenue from external customers

Particulars	(Rs. in Lakhs)		
	Within India	Outside India	Total
Financial Year ended March 31, 2022	5,077.45	-	5,077.45
Financial Year ended March 31, 2021	3,663.09	-	3,663.09

(ii) Non Current assets

The Company has common non- current operating assets located in India for domestic as well as overseas market. Hence, separate figures for these assets are not required to be furnished.

B. Revenue from major products and services

Particulars	(Rs. in Lakhs)	
	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Synthetic Blended Yarn	3,466.29	2,223.03
Filament Yarn	1,611.16	1,440.06
Total	5,077.46	3,663.09

Shree Rajasthan Syntex Limited

Notes forming part of financial statements for the year ended March 31, 2022

50 Financial instruments

a) Capital management

The accumulated losses of the Company as at 31 March 2022 amounting to Rs. 11818.87 Lakhs (Previous Year : Rs. 8182.02 Lakhs) have eroded the net worth of the Company as at 31 March , 2022.

The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings from banks, financial institutions, others and liquidation of its assets.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents while equity includes all capital and reserves of the Company.

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Long term borrowings	665.14	574.86
Current maturities of long term debt	2,714.68	2,857.49
Short term borrowings	8,209.43	8,247.17
Less: Cash and cash equivalents	(20.40)	(72.13)
Less: Bank balances other than cash and cash equivalents	(0.23)	(0.22)
Net debt	11,568.62	11,607.17
Total equity	-7,054.26	-3,417.42
Gearing ratio	-1.64	-3.40

b) Fair value measurement

(a) Financial assets

Particulars	(Rs. in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
(i) Measured at amortised cost				
Other Non-current Financial assets	125.47	125.47	119.97	119.97
Trade receivables	118.38	118.38	91.93	91.93
Cash and cash equivalents	20.40	20.40	72.13	72.13
Bank balances other than cash and cash equivalents	0.23	0.23	0.22	0.22
Loans	59.98	59.98	59.98	59.98
Other current financial assets	-	-	-	-
Total financial assets	324.46	324.46	344.23	344.23

(b) Financial liabilities

Particulars	(Rs. in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
(i) Measured at amortised cost				
Long term borrowings	665.14	665.14	574.86	574.86
Other financial liabilities - Non Current	144.06	144.06	144.45	144.45
Short term Borrowings	8,209.43	8,209.43	8,247.17	8,247.17
Trade payables	2,328.22	2,328.22	2,331.95	2,331.95
Other financial liabilities	7,568.44	7,568.44	4,948.34	4,948.34
Lease Liability	50.05	50.05	29.94	29.94
Total financial liabilities	18,965.35	18,965.35	16,276.71	16,276.71

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

Shree Rajasthan Syntex Limited
Notes forming part of financial statements for the year ended March 31, 2022

c) Financial risk management

The Company has an Audit Committee of the Boards which has the responsibility to identify the risk and suggest the management the mitigation plan for the identified risks in accordance with the risk management policy of the Company. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

These risks include market risk (including currency risk and interest rate risk), liquidity risk and credit risk.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

Foreign currency risk management

The Company is currently not dealing in foreign currency, therefore no risk arising from foreign currency transactions

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The borrowings of the Company are principally denominated in rupees and the Company has exposure to interest rate risk, arising principally on changes in base lending rate.

The following table provides a break-up of the Company's fixed and floating rate borrowings: -

Particulars	(Rs. in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings	665.14	574.86
Floating rate borrowings	8,209.43	8,247.17
Total borrowings	8,874.57	8,822.03

(ii) Liquidity risk management

Liquidity risk refers to the risk of financial distress or high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term . The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds.

Financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial instruments at the reporting date.

Financial liabilities:

As at March 31, 2022	(Rs. in Lakhs)		
	Upto 1 year	> 1 years	Total
Financial liabilities			
Long term borrowings	-	665.14	665.14
Current maturities of long term debt	2,714.68	-	2,714.68
Short term borrowings	5,494.75		5,494.75
Trade payables	2,328.22	-	2,328.22
Other financial liabilities	7,568.44	144.06	7,712.50
Total financial liabilities	18,106.08	809.20	18,915.29

Financial assets:

(Rs. in Lakhs)			
As at March 31, 2022	Upto 1 year	> 1 years	Total
Financial assets			
Investments	-	-	-
Trade receivables	118.38	-	118.38
Cash and cash equivalents	20.40	-	20.40
Bank balances other than (ii) above	0.23	-	0.23
Loans	13.00	46.98	59.98
Other financial assets	-	125.47	125.47
Total financial assets	152.00	172.45	324.46

Financial liabilities:

(Rs. in Lakhs)			
As at March 31, 2021	Upto 1 year	> 1 years	Total
Financial liabilities			
Long term borrowings	-	574.86	574.86
Current maturities of long term debt	2,857.49	-	2,857.49
Short term borrowings	8,247.17	-	8,247.17
Trade payables	2,331.95	-	2,331.95
Other financial liabilities	2,090.85	144.45	2,235.30
Total financial liabilities	15,527.46	719.31	16,246.77

Financial assets:

(Rs. in Lakhs)			
As at March 31, 2021	Upto 1 year	> 1 years	Total
Financial assets			
Investments	-	-	-
Trade receivables	91.93	-	91.93
Cash and cash equivalents	72.13	-	72.13
Bank balances other than (ii) above	0.22	-	0.22
Loans	13.00	46.98	59.98
Other financial assets	-	119.97	119.97
Total financial assets	177.28	166.95	344.23

(iii) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date.

(Rs. in Lakhs)			
Particulars	As at March 31, 2022	As at March 31, 2021	
Trade receivables	118.38	91.93	
Less :- Loss allowances	33.88	-	
Trade receivables	152.26	91.93	

51. Loans or Advances to specified person

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Amount outstanding	% of Total^	Amount Outstanding	% of Total^
Repayable on demand-Related Party				
SRSI Employees Welfare Trust	78.75	100%	78.75	100%

52. Borrowing secured against current asset

The company's borrowings from banks on the basis of security of current assets has been recalled by the banks. No quarterly return of statements of current assets filled by the company with banks.

53.Registration of charge of satisfaction with Registrar of Companies (ROC)

There are no charges yet to be registered with Registrar of Companies (ROC) beyond the statutory period. Two charge could not be satisfied with ROC for want of no dues certificate from banks which remains pending due to other loans becoming overdue

54.Title deeds of immovable properties

The title deeds of all the immovable properties, as disclosed in note 3 to the financial statements, are held in the name of

55.Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

56.Details of Benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

57. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

58. Relationship with struck off companies

The Company has no transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

59.Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

60. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

61.Utilisation of borrowed funds and share premium

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

62.Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account.

63. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

64.Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions had been applied for the purposes for which such loans were taken.

65. Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021: -

Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	Variance (%)	Remarks
Current Ratio	Current assets	Current liabilities	0.04	0.06	(31.44)	Current assets decreased due to higher provisions and current liabilities increased on account of higher provisions towards financial expenses
Debt- Equity Ratio	Total debt	Shareholder's equity	-	-	-	Ratio is not calculated as the equity value is negative.
Debt Service Coverage Ratio	Earnings available for debt service	Debt service	-	-	-	Company is not generating cash to service debts.
Return on Equity	Net Profit after taxes	Avg. shareholder's equity	-	-	-	Shareholder's equity is neagtive due to recurring losses in the company
Inventory Turnover Ratio	Revenue	Avg. Inventory	8.80	4.63	89.93	Due to lower inventory levels.
Trade receivable (Sales) Turnover Ratio	Revenue	Avg. Trade receivables	31.82	26.61	19.58	
Trade receivable (Job work) Turnover Ratio	Revenue	Avg. Trade receivables	38.52	64.97	(40.71)	Due to higher receivables at the year end.
Trade payable Turnover Ratio	Purchases	Avg. Trade payables	2.49	1.61	55.23	Due to repayment of creditors.
Net Capital Turnover ratio	Revenue	Avg. Working capital	(0.32)	(0.35)	-9.73	
Net Profit Ratio	Net profit	Revenue	(71.75)	65.91	8.85	
Return on Capital employed	Earnings before interest and taxes	Capital employed	-	-	-	Ratio is not calculated as the equity value is negative.
Return on Investment	Income generated from Invest	Time weighted average Investment	-	-	-	No Investment by the company.

66.Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year's classification.

See accompanying notes to the fin 1 to 66

As per our report of even date

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

For and on behalf of the Board of Directors
Shree Rajasthan Syntex Limited

Sd/-
Vardhman Doogar
Partner
M. No 517347
Place : New Delhi
Dated: 25.05.2022

Sd/-
Vikas Ladia
Managing Director & CEO
DIN: 00256289

Sd/-
Anubhav Ladia
Whole Time Director
DIN: 00168312

Sd/-
Narendra Nath Agrawala
Independent Director
DIN: 00168211

Sd/-
Place : Udaipur
Dated: 25.05.2022

Sd/-
Prahlad Bilochi
Chief Financial Officer

Sd/-
Prinkle Talesara
Company Secretary
& Compliance Officer
M.No.A60017