



Date: 07.09.2022

To
The General Manager
Department of Corporate Services
B.S.E. Limited
1st Floor, Rotunda Building,
B.S. Marg, Fort
Mumbai – 400 001

Dear Sir/Madam,

Subject: Submission of 43rd Annual Report along with the Notice of the Annual General Meeting (AGM) of the Company for the Financial Year 2021-22.

Ref.: BSE Scrip Code: 514140

Pursuant to Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the Notice convening 43rd Annual General Meeting(" AGM") and the Annual Report of the Company for the Financial Year 2021-22.

The 43rd AGM of the Company is scheduled to be held on Friday, 30th September, 2022 at 09.30 A.M at Incredible One Hotel, 1-2-40, 41 & 43, Park Lane, Sandhu Apartment, Kalasiguda, Secunderabad-500003 Telangana.

AGM information at a glance for ready reference:

Cut-off date for e-voting	23 rd September, 2022
E-voting start time and date	26th September, 2022, (9:00 AM IST)
E-voting end time and date	29th September, 2022 (5:00 PM IST)
E-voting website of Kfin	https://evoting.kfintech.com

This is for your information and record.

Thanking You

Yours Sincerely,
For Suryavanshi Spinning Mills Limited

Rajender Kumar
Agarwal

Digitally signed by Rajender Kumar Agarwal
DN: cn=Rajender Kumar Agarwal, o=Suryavanshi Spinning Mills Limited, email=Rajender.Kumar.Agarwal@suryavanshi.com, c=IN, serial=1000000000
Date: 2022.09.07 17:06:42 +05'30'

Rajender Kumar Agarwal
Managing Director

A Government Recognised Export House,

Regd Office: Surya Towers, 6th Floor, 105, S.P Road, Secunderabad – 500 003, Telangana, India
Telephone : (91) 40 27843333

Email :info@suryavanshi.com: website:www.suryavanshi.com: **CIN: L14220TG1978PLC002390,**

GST No.36AADCS0820J1ZJ

43 Annual
Report
2021-22



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rajender Kumar Agarwal	Managing Director & CFO
Mr. Manish Gupta	Non Executive Independent Director
Mrs. Sushma Gupta	Non Executive Independent Director
Mr. Uttam Gupta	Non Executive Independent Director

Company Secretary & Compliance Officer
Ms. Diksha Omer

Auditors
M/s. K.S.Rao & Co.
Flat No. 602, Golden Green Apartments,
Irrum Manzil Colony, Hyderabad – 500082
Telangana, India

Bankers
Union Bank of India (*earlier Andhra Bank*)
State Bank of India

Registered Office
Surya Towers, 105, Sardar Patel Road
Secunderabad – 500 003, Telangana
Website: www.suryavanshi.com
Email: info@suryavanshi.com
CIN: L14220TG1978PLC002390
Phone: 91-40-27843333

Audit Committee
Mr. Manish Gupta
Mr. Rajender Kumar Agarwal
Mr. Uttam Gupta

Stakeholders' Relationship Committee
Mr. Manish Gupta
Mr. Rajender Kumar Agarwal
Mr. Uttam Gupta

Nomination & Remuneration Committee
Mr. Manish Gupta
Mrs. Sushma Gupta
Mr. Uttam Gupta

Listed on BSE Limited
ISIN: INE431C01023
Scrip Code: 514140

Registrar and Share Transfer Agents
KFIN Technologies Limited
Selenium Tower B, Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally, Hyderabad – 500 032
Telangana, India
Tel No. 040-67162222
e-mail: einward.ris@kfintech.com
Website: www.kfintech.com

FACTORY
Spinning & Medical Textile Divisions
Aliabad, Medchal Taluq,
Ranga Reddy Dist. – 500 078, Telangana

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 43RD ANNUAL GENERAL MEETING OF THE MEMBERS OF SURYAVANSHI SPINNING MILLS LIMITED WILL BE HELD ON FRIDAY, 30TH DAY OF SEPTEMBER, 2022 AT 09.30 AM AT INCREDIBLE ONE HOTEL, 1-2-40, 41 & 43, PARK LANE, SANDHU APARTMENT, KALASIGUDA, SECUNDERABAD-500003, TELANGANA, INDIA TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item no.1

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022 and the Reports of the Directors and Auditors thereon

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT the audited financial statements of the Company for the financial year ended on 31st March, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.

Item no.2

To appoint a director in place of Mr. Rajender Kumar Agarwal (DIN:00041892) who retires by rotation and, being eligible, offers himself for reappointment

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Rajender Kumar Agarwal (DIN:00041892), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

Item no.3

To re-appoint M/s K.S Rao & Co., Chartered Accountants (FRN: 003109S) as the Statutory Auditors from the conclusion of this 43rd Annual General Meeting till the conclusion of the 48th Annual General Meeting and to fix the remuneration

To consider and if thought fit, to pass the following resolution, with or without modification(s), as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations

of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to re-appoint M/s. K.S Rao & Co., Chartered Accountants, having Firm registration No. 003109S as the Statutory Auditors of the Company for a second term of five consecutive years, who shall hold office from the conclusion of this 43rd Annual General Meeting till the conclusion of the 48th Annual General Meeting to be held in the year 2027 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.”

SPECIAL BUSINESS

Item no.4

To approve the re-appointment of Mr.Rajender Kumar Agarwal, (DIN: 00041892) as Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Rajender Kumar Agarwal (DIN: 00041892), as Managing Director of the Company for a period of Five years commencing from 13th February, 2023 to 12th February, 2028 on remuneration and other terms and condition details of which given in explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution.”

Item no.5

To fix and approve the remuneration payable to Mr. Rajender Kumar Agarwal, as Managing Director

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

“RESOLVED THAT pursuant to the provisions of Sections 197, 198 read with Schedule V and other applicable provisions and the Rules made thereunder if any, of the Companies Act, 2013 and the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), applicable clauses of the Articles of Association of the Company and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors the consent of the members of the Company be and is hereby accorded for Payment of remuneration to Mr. Rajender Kumar Agarwal, (DIN:00041892) Managing Director and CFO of the Company for the period of 3 (three) Years from 1st October, 2022 to 30th September, 2025, notwithstanding that such remuneration may exceed overall managerial remuneration being the limit specified under section 197 and on the terms and conditions as mentioned below:

- a) Basic Salary: Rs. 1,25,000/- (Rupees One lakh Twenty Five Thousand only) per month
- b) Commission: @ 1% (one percent) of Net Profits of the Company or 50% (Fifty percent) of the basic salary, whichever is less.
- c) Perquisites: In addition to salary and commission as stated above Mr. Rajender Kumar Agarwal, shall be entitled to the following perquisites:

PART – A

- i. Rent free furnished residential accommodation with all facilities and amenities including such services such as gas, electricity, water etc. or House Rent Allowance to the extent of 40% of the basic salary whichever is higher.
- ii. Medical Reimbursement: Reimbursement of medical expenses for self and family subject to a ceiling of one month's basic salary in a year or three month's basic salary over a period of three years.
- iii. Leave Travel Concession: For self and family once in a year in accordance with the Rules of the Company.
- iv. Fees of clubs: Subject to a maximum of two clubs provided that no life membership or admission fees is paid.
- v. Personal Accident Insurance: Premium not to exceed Rs. 15000/- (Rupees Fifteen Thousand) per annum.

PART – B

- vi. Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Rules of the Company, if any.
- vii. Gratuity payable shall not exceed half a month's basic salary for each completed year of service.

PART – C

- viii. Provision of car for use of Company's business and telephone and other communications at residence.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company will pay Mr. Rajender Kumar Agarwal remuneration and perquisites not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013

FURTHER RESOLVED THAT, Board of Directors of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

Item no.6

To Approve the Related Party Transaction for Sale of Land with Innovative Interiors

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

RESOLVED THAT in supersession of the earlier resolution passed by the members of the company through postal ballot on 2nd March, 2022 for sale of land situated at Aliabad Village, Shameerpet Mandal, Rangareddy District, Telangana and pursuant to the provisions of Section 188 and Section 180 (1) (a) of the Companies Act, 2013 and Rules made thereunder and as per the Regulation 23 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), and also pursuant to the consent of Audit Committee and Board of Directors, the approval of the Shareholders be and is hereby accorded to enter into the contract(s)/ arrangement(s)/ transaction(s) with the Innovative Interiors, a related party within the meaning of Section 2(76) of the Act, for effecting the sale of land to the extent of 5 acres situated at Aliabad Village, Shameerpet Mandal, Rangareddy District, Telangana.

RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into aforesaid related party transaction, on behalf of the Company and to finalize the terms and conditions and take such steps as may be necessary for obtaining approvals, and to complete all the formalities in connection to such sale or transfer and to settle all the matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company, and file the required e-forms with the Registrar of Companies,

Telangana and generally to do all such acts, deeds and things that may be necessary, proper and expedient or incidental for the purpose of giving effect to the above resolution.”

Item no.6

To Approve the Related Party Transaction for Sale of Land with Sheshadri Industries Limited

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 and Section 180 (1) (a) of the Companies Act, 2013 and Rules made thereunder and as per the the Regulation 23 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), and also pursuant to the consent of Audit Committee and Board of Directors, the approval of the Shareholders be and is hereby accorded to enter into the contract(s)/ arrangement(s)/ transaction(s) with the Sheshadri Industries Limited, a related party within the meaning of Section 2(76) of the Act , for effecting the sale of land to the extent of 1 acres situated at Aliabad Village, Shameerpet Mandal, Rangareddy District, Telangana.

RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into related party transaction with the promoters, on behalf of the Company and to finalize the terms and conditions and take such steps as may be necessary for obtaining approvals, and to complete all the formalities in connection to such sale or transfer and to settle all the matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company, and file the required e-forms with the Registrar of Companies, Telangana and generally to do all such acts, deeds and things that may be necessary, proper and expedient or incidental for the purpose of giving effect to the above resolution.”

**By order of the Board
For Suryavanshi Spinning Mills Limited**

**Sd/-
Rajender Kumar Agarwal
Managing Director
DIN: 00041892**

Place: Secunderabad
Date: 13.08.2022

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standards on General Meeting (SS-2) which sets out details relating to Special Business at the meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
3. A form of proxy is enclosed to this annual report. No instrument of proxy shall be valid unless:
 - a. it is signed by the member or by his / her attorney duly authorised in writing or, in the case of joint holders, the signature of any one holder on proxy form will be sufficient, but names of all the joint holders should be stated or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any member, who for any reason is unable to write his/her name, if his / her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank;
 - b. it is duly stamped and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting i.e. by 4:00 p.m. on Monday, 28th September, 2022, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent;
4. Members / proxies are requested to bring duly filled attendance slips, sent herewith, to attend the Meeting and proxy holder shall prove his identity at the time of attending the meeting;
5. Every member entitled to vote at the Annual General Meeting of the Company can inspect the proxies lodged with the Company at any time during the business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the Annual General Meeting and ending on the conclusion of the meeting. However, a prior notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.
 1. Institutional/Corporate members (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorization etc., together with attested specimen signature(s) of the duly authorised representative(s), to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent by email through its registered email address to the scrutinizer at email id: rashida@rna-cs.com with a copy marked to evoting@kfintech.com and to the Company at secdept@suryavanshi.com.
6. The register of members and share transfer books of the Company will be closed from **24th September, 2022 to 30th September, 2022 (both days inclusive)** for the purpose of Annual General Meeting.
7. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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.:
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to the Company/ KFin in prescribed Form ISR-I and other forms pursuant to SEBI Circular.

SEBI Circular mandated the furnishing of PAN, address with PIN, email address, mobile number, bank account details and nomination by holders of physical securities. Folios wherein any one of the cited document / details are not available on or after April 01, 2023, shall be frozen by KFin.

8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4 and/or ISR-5.

It may be noted that any service request can be processed only after the folio is KYC compliant.

9. In terms of Regulation 40 of LODR Regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, all Members holding shares in physical form are requested to demat their shares at the earliest.
10. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them as under: a. Members holding shares in physical mode: Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be.
 - b. Members holding shares in electronic mode: Members holding shares in electronic form may contact their respective Depository Participants for availing this facility
11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFin, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
12. Pursuant to Section 101 and 136 of the Act read with relevant Rules made thereunder and Regulation 36(1) (a) of LODR Regulations, soft copy of the Annual Report and other communications shall be served to members through electronic mode to those members who have registered their e-mail address either with the Company or KFin or with any Depositories. As per provisions of Section 20 of the Act read with Rules made thereunder, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering at his office or address, or by such electronic or other mode as may be prescribed including by facsimile telecommunication or to electronic mail address, which the member has provided to his / her Depository Participant / the Company's Registrar & Share Transfer Agent from time to time for sending communications, provided that a member may request for delivery of any document through a particular mode, for which he shall pay such fees as may be determined by the Company in its Annual General Meeting.. Those members, who desire to receive notice / financial statement / other documents through e-mail, are requested to communicate their e-mail ID and changes thereto, from time to time, to his / her Depository Participant (in case of Shares held in dematerialised form) / KFin in Form ISR I (in case of Shares held in physical form).
13. Accordingly, soft copy of the Annual Report including the notice of the 43rd Annual General Meeting of the Company in electronic form, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form would be sent to all members whose email IDs are registered with the Company / KFin / Depository Participant(s).
14. Members may also note that the Notice of the 43rd Annual General Meeting and the Annual Report for the financial year 2021 - 22 will also be available on the Company's website www.suryavanshi.com and also on the website of KFin: <https://www.kfintech.com>.
15. The Company's Registrar & Share Transfer Agent is KFIN Technologies Limited, Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500032, Tel No. 040-67162222, Fax No. 040-23420814 e-mail: einward.ris@kfintech.com Website: <https://www.kfintech.com>

E-VOTING:

- (i) In terms of the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (“the Rules”), as amended and Regulation 44 of LODR Regulations read with SEBI circular dated 9th December, 2020, the Company is providing remote e-voting facility to those members whose names appear in the register of members/list of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) as on **Friday, 23rd September, 2022** being the “cut-off date” fixed for the purpose, to exercise their right to vote at the 43rd AGM by electronic means. Members may transact the business through e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only;
- (ii) The facility for voting through electronic voting system shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- (iii) The e-voting period commences on **Monday, 26th September, 2022, (9:00 AM IST) and ends on Thursday, 29th September, 2022 (5:00 PM IST)**. During the e-voting period, members of the Company, holding shares either in physical form or in dematerialised form, may cast their votes electronically. The e-voting module shall be disabled by KFin for voting after 5:00 PM IST Thursday, 29th September, 2022. Once the vote on a resolution is cast by a member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast vote again.
- (iv) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again at the Meeting
- (v) A member can opt for only single mode of voting, that is, through remote e-voting or voting at the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as “INVALID”.
- (vi) The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the AGM. The facility for voting through electronic voting system (‘Insta Poll’) shall be made available at the Meeting.
- (vii) The Board of Directors of the Company has appointed Smt Rashida Adenwala, Practising Company Secretary, Partner, R & A Associates, Hyderabad as Scrutinizer to voting process (e-voting and ballot) in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

As per circular of SEBI on e-voting facility dated December 9, 2020, all individual Members holding shares of the Company in demat mode can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Accordingly, the procedure to login and access remote e-voting, as devised by the Depositories / Depository Participant(s), is given below:

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES (FOR USERS REGISTERED WITH NSDL/CDSL)

National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>Procedure for user already registered for NSDL IDeAS facility:</p> <p>Visit URL: https://eservices.nsdl.com</p> <ol style="list-style-type: none"> a. Click on the “Beneficial Owner” icon under “Login” under b. ‘IDeAS’ section. 	<p>Procedure for users already registered for Easi / Easiest facility of CDSL:</p> <ol style="list-style-type: none"> a. Visit URL: https://web.cdslindia.com/myeasi/home/login OR b. Click on www.cdslindia.com and then click on New System Myeasi / to My Easi option under Quick Login (best operational in Internet Explorer 10 or above and Mozilla Firefox)

National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>c. A new page will open, enter User ID and Password.</p> <p>d. Post successful authentication, click on “Access to e-voting”</p> <p>e. Click on company name – ‘Suryavanshi Spinning Mills Ltd and you will be re-directed to e-voting page of KFin for casting the vote during the remote e-voting period.</p>	<p>c. Enter your registered user id and password.</p> <p>d. The user will see the e-voting Menu. Click on e-voting link available against the name of the Company - ‘Suryavanshi Spinning Mills Ltd’ and you will be re-directed to e-voting page of KFin for casting the vote during the remote e-voting period.</p>

PROCEDURE TO LOGIN THROUGH WEBSITES OF DEPOSITORIES (FOR USERS NOT REGISTERED WITH NSDL/CDSL)

National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>Procedure for user NOT registered with NSDL IDeAS facility:</p> <p>a. To register click on link: https://eservices.nsdl.com and select “Register Online for IDeAS” OR directly click at https://eservices.nsdl.com/ SecureWeb/IdeasDirectReg.jsp</p> <p>b. Proceed to complete registration using your DP ID, Client ID, Mobile Number etc.</p> <p>c. Follow steps given in points I</p>	<p>Procedure for user NOT registered with Easi / Easiest facility of CDSL:</p> <p>a. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>b. Proceed to complete registration using your DP ID-Client ID (BO ID), etc.</p> <p>c. Follow the steps given in point I</p>

PROCEDURE TO LOGIN DIRECTLY THROUGH E-VOTING MODULE OF NSDL / CDSL

National Securities Depository Ltd (“NSDL”)	Central Depository Services (India) Ltd (“CDSL”)
<p>Procedure for login directly through NSDL website:</p> <p>a. Open URL: https://www.evoting.nsdl.com/</p> <p>b. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p> <p>c. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), type Password (if registered) or otherwise through OTP (in case your mobile/e-mail address is registered in your demat account) and a verification code as shown on the screen.</p> <p>d. On successful authentication, you will enter the e-voting module of NSDL. Click on “Active E-voting Cycles / VC or OAVMs” option under E-voting. You will see Company Name: “Suryavanshi Spinning Mills Ltd” on the next screen. Click on the e-voting link available against Mahindra Lifespace Developers Ltd and you will be re-directed to the e-voting page of KFin to cast your vote without any further authentication.</p>	<p>Procedure for login directly through CDSL website:</p> <p>a. Open URL: https://evoting.cdslindia.com/Evoting/EvotingLogin</p> <p>b. Provide your demat Account Number and PAN No.</p> <p>c. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.</p> <p>d. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Suryavanshi Spinning Mills Ltd and you will be redirected to the e-voting page of KFin to cast your vote without any further authentication.</p>

PROCEDURE TO LOGIN THROUGH THEIR DEMAT ACCOUNTS / WEBSITE OF DEPOSITORY PARTICIPANT

You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/ CDSL for e-voting facility. An option for “e-voting” will be available once you have successfully logged-in through your respective logins. Click on the option “e-voting” and you will be redirected to e-voting modules of NSDL/CDSL (as may be applicable). Click on options available against the Company’s Name: Suryavanshi Spinning Mills Limited or E-Voting Service Provider – KFin. You will be redirected to e-voting website of KFin for casting your vote during the remote e-voting period without any further authentication.

NOTE

- I. Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” / “Forgot Password” options available on the websites of Depositories / Depository Participants.
- II. Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type Helpdesk details:

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

INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY MEMBERS (OTHER THAN INDIVIDUAL MEMBERS) HOLDING SHARES OF THE COMPANY IN DEMAT MODE AND ALL MEMBERS HOLDING SHARES IN PHYSICAL MODE:

- A. **Procedure for Members whose email IDs are registered with the Company / Depository Participant(s), and who receives email from KFin which will include details of E-Voting Event Number (EVEN), User ID and password:**
 - I. Launch internet browser by typing / clicking the URL: <https://evoting.kfintech.com>
 - II. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.
 - III. After entering these details appropriately, click on “LOGIN”.
 - IV. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - V. You need to login again with the new credentials.
 - VI. On successful login, the system will prompt you to select the E-voting Event Number (EVEN) for Suryavanshi Spinning Mills Limited” and click on “Submit”.
 - VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under “FOR/AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/ AGAINST” taken together shall not exceed your total shareholding as mentioned herein

above. You may also choose the option “ABSTAIN”. If the Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.

- VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- X. You may then cast your vote by selecting an appropriate option and click on “Submit”.
- XI. A confirmation box will be displayed.
- XII. Click “OK” to confirm or else “CANCEL” to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- B. ***In case email ID of Members is not registered with the Company/Depository Participants, then such Members are requested to register/update their email addresses with the Depository Participant(s) (in case of shares held in Dematerialised form) and inform KFin at the email id: evoting@kfintech.com (in case of Shares held in physical form):***

- i. Upon registration, Member will receive an e-mail from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password.
- ii. Please follow all steps mentioned above to cast your vote by electronic means.

Any member who has forgotten the user id and password, may obtain / generate / retrieve the same from KFin in the manner as mentioned below:

- i. If the mobile number of the member is registered against Folio No. / DP ID / Client ID, the member may send SMS: MYEPWD E-Voting Event Number + Folio No. or DP ID Client ID to the mobile no. 9212993399

Example for NSDL: MYEPWD
IN12345612345678

Example for CDSL: MYEPWD
I402345612345678

Example for Physical: MYEPWD
XXXX1234567890

- ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFin at toll free number 1800-309-4001 or write to them at evoting@kfintech.com

GENERAL INSTRUCTIONS:

- a. Members holding shares as on the cut-off date i.e. **Friday, 23rd September, 2022** shall be entitled to vote through e-voting or at the venue of the Annual General Meeting.
- b. The notice of Annual General Meeting is being sent (by email where email ID is available and by permitted mode in physical copy in other cases) to the Members holding shares of the Company. User ID and password for e-voting is sent in the email where notice is sent by email and is printed on the attendance slip where notice is sent in physical form. Members whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on “Cutoff” date only shall be entitled to avail the facility of remote e-voting or voting at the Annual General Meeting, as the case may be. The voting rights shall be reckoned on the basis of number of equity shares held by the members as on Friday, 23rd September, 2022, being the cut-off date for the purpose.
- c. Members holding shares as on the cut-off date shall be entitled to vote through e-voting or during the AGM. 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 / List of Beneficial Owner of the Company will be entitled to vote during the AGM.
- d. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013, a certificate from the Secretarial Auditor confirming that the Stock Option Schemes have been implemented by the Company in accordance with the applicable SEBI Regulations and relevant documents referred to in this Notice of AGM and Explanatory Statement, is available for inspection by the members at the Registered Office of the Company on all working days

(Monday to Friday), from 10:00 a.m. to 1:00 p.m. up to the date of the Meeting except Public Holidays.

- e. A route map showing directions to reach the venue of the 43rd AGM is given at the end of the Notice.
- f. Details of persons to be contacted for issues relating to e-voting:
- Further, in case of queries and / or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> or contact at evoting@kfintech.com.
 - For any further clarification, Members may contact Ms. Sheetal Doba, Manager Corporate Registry, KFin Technologies Limited, Unit: Mahindra Lifespace Developers Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Contact No. 040-6716 1500/1509 Toll Free No.: 1800-309-4001, E-mail: einward.ris@kfintech.com.
- g. 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 <https://evoting.kfintech.com/> to reset the password;
- h. The Board of Directors has appointed Ms. Rashida Adenwala, Practising Company Secretary, Partner at R&A Associates, Hyderabad as the Scrutinizer to scrutinize the e-voting process and voting at the venue of the Annual General Meeting in a fair and transparent manner, and to ascertain requisite majority during the AGM;
- i. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast during the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the

Company and make, not later than two working days of conclusion of the meeting, submit a consolidated scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman or to any person authorised by him, who shall countersign the same.

- j. The Chairman or authorized person shall declare the result of the voting forthwith on receiving of the Scrutinizer’s Report. The Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.suryavanshi.com and on the website of KFin at <https://evoting.kfintech.com/public/Downloads.aspx> and shall be communicated to the Stock Exchanges. If, as per the report of the scrutinizer, a resolution is passed, then the resolution shall be deemed to have been passed at the AGM of the Company scheduled on Friday, 30th September, 2022.
- k. KPRISM- MOBILE SERVICE APPLICATION BY KFIN:

Members are requested to note that, KFin has a mobile application - KPRISM and website <https://kprism.kfintech.com> for online service to Members. Members can download the mobile application, register themselves (onetime) for availing host of services viz., consolidated portfolio view serviced by KFin, dividends status etc. through the mobile app, members can also download Annual reports, standard forms and keep track of upcoming General Meetings and dividend disbursements. The mobile application is available for download from Android Play Store. Alternatively, Investors can also visit the link <https://kprism.kfintech.com/app/> to download the mobile application.

**By order of the Board
For Suryavanshi Spinning Mills Limited**

Sd/-
Place: Secunderabad
Date: 13.08.2022

Rajender Kumar Agarwal
Managing Director
DIN: 00041892

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

ITEM NO.3

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”), however, the same is strictly not required as per Section 102 of the Act.

The Members at the Annual General Meeting held on 29th September 2017, approved appointment for the first term of M/s K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Registration No.003109S) as Statutory Auditors of the Company, to hold office until the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2022.

After evaluating and considering various factors, industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc. the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting, proposed the re-appointment of M/s K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Registration No.003109S), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 43rd Annual General Meeting till the conclusion of 48th Annual General Meeting of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors. The Board of Directors at their meeting held on 13th August, 2022, basis recommendation of the Audit Committee, approved statutory audit fees for financial year 2022-23 of Rs. 1,70,000 /- (Rupees One lakh Seventy Thousand Only) including statutory taxes and any other fees payable upon availing of any non-audit services in accordance with the Companies Act, 2013. The statutory audit / non-audit fees payable to the Statutory Auditors for the remaining tenure will be determined by the Board as per the recommendation of audit committee.

M/s K.S.Rao & Co., Chartered Accountants, have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act

Accordingly, the Board recommends re-appointment of M/s K.S.Rao & Co., Chartered Accountants, Hyderabad (ICAI Firm Registration No.003109S), as Statutory Auditors of the Company for a second term of 5 years from the conclusion of this AGM till the conclusion of 48th AGM to be held in 2027.

None of the Directors and/or KMP or their relatives is interested or concerned in the proposed resolution, except in the ordinary course of business and to the extent of their shareholding.

ITEM NO.4 AND ITEM NO. 5

The Company had appointed Mr. Rajender Kumar Agarwal, at the 41th AGM held on 2nd December, 2020 as Managing Director of the Company for a period of three years from 13th February, 2020. The present terms of appointment of Mr. Rajender Kumar Agarwal is expiring on 12th February, 2023. Considering his knowledge of various aspects relating to the Company’s affairs and long business experience, the Board of Directors has, based on the recommendation of the Nomination and Compensation Committee and subject to the approval of the Members of the Company, approved the re-appointment of Mr. Rajender Kumar Agarwal as Managing Director for a further period of 5 (Five) years with effect from 13th February, 2023.

Mr. Rajender Kumar Agarwal is not disqualified from being re-appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Managing Director.

In terms of the provisions of the Act and the Articles of Association of the Company, the Board of Directors of the Company at its meeting held on 13th August, 2022 and on the recommendation of the Nomination and Remuneration Committee in its meeting held on 12th August, 2022, approved the re-appointment of Mr. Rajender Kumar Agarwal as Managing Director (KMP) of the Company subject to the approval of members/shareholders of the Company in Annual General Meeting to be held on Friday, 30th day of September, 2022 as a Special Resolution for a period of five years from 13th February, 2023 to 12th February, 2028.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution. Hence the Board recommends the resolution for member approval

by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013 pursuant to notification issued by Ministry of Corporate Affairs (MCA) dated 12 September 2018.

Since the company had defaulted in the repayment of the loans to financial institutions and banks and had entered in the One Time Settlement with Union Bank of India (formerly Andhra bank), he was not drawing remuneration or salary from the company. Now, the company has cleared the outstanding dues under the OTS scheme and is no longer in default, it is proposed that the members consider the remuneration to be provided to Mr. Rajender Kumar Agarwal as mentioned in the resolution. It is submitted that based on the projections, the overall managerial remuneration may exceed the limits specified in Section 197 of the Companies Act, 2013, therefore pursuant to Section 196, 197 read with Schedule V of the Companies Act, 2013, the remuneration as recommended by the Nomination and remuneration committee and decided by the Board is required to be approved by the Members.

Mr. Rajender Kumar Agarwal is one of the promoter directors of Suryavanshi Spinning Mills Limited and has vast knowledge of textile industry of more than 30 years and his experience in diverse fields and guidance is considered vital for the Company's growth. He is the Managing Director and has been associated with the Company from October 1990.

Brief resume of Mr. Rajender Kumar Agarwal, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees and shareholding etc. as stipulated under the Listing Regulations, are provided as an Annexure I to this notice.

Additional Disclosure about the appointee as per Schedule V of the Companies Act, 2013

I. General Information

1.	Nature of industry	Company is in the business of manufacturing of Polyester, polyester-viscose Blended Yarns and other Textiles Products at Aliabad, Shameerpet Mandal, Ranga Reddy District, in the state of Telangana catering to both domestic and the export markets.
2.	Date or expected date of commencement of commercial production	Not applicable, Company is in existence and operations since 1978
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	As on 31st March, 2022, Total revenue from Operations – Rs. 5282.55 lakh Profit Before Tax – Rs. 150.76 lakh Profit After Tax – Rs. 150.76 lakh
5.	Foreign investments or collaborations, if any	At present the Company does not have any Collaboration, either technical or financial.

Information about Managing Director:

S.No	Particular	Details
1.	Background details	Mr. Rajender Kumar Agarwal is the Chairman and Managing Director of the Company. He holds a bachelor degree
2.	Past remuneration	Rs.1,40,000/- P.M. Plus applicable allowances and perquisites paid in FY 2017-2018. Later, due to default in payment of loans to financial institution, no remuneration drawn by them.
3.	Recognition or awards	Nil

4.	Job profile and his suitability	He has vast experience in Procurement, Construction, installation and commissioning of the Spinning Units. He has been associated with Company from 1990 and from last two decade he is serving as executive director of the Company. In addition to the above he looks after Administration and Export Activities of the Company. He has developed niche in markets effectively and identified several new overseas markets for the Company's Products
5.	Remuneration proposed	a) Basic Salary: Rs.1,25,000/- per month b) Commission: @ 1% (one percent) of Net Profits of the Company or 50% of the basic salary, whichever is less. c) Perquisites: In addition to salary and commission as stated above Mr. Rajender Kumar Agarwal, shall be entitled to perquisite.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the qualification, knowledge, experience and the responsibilities shouldered by said Directors, remuneration paid to him with respect to this industry and size
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	He is the promoter of the Company and holds 12,19,359 equity shares of the Company face value of which is Rs. 10/- each

Other Information:

1	Reasons of loss Not Applicable Not Applicable	Not Applicable
2	Steps taken or proposed to be taken for improvement	Not Applicable
3	Expected increase in productivity and profits in measurable terms	Not Applicable

The Board recommends the Resolution at Item No.4 & 5 for approval of the shareholders as special resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Rajender Kumar Agarwal and his relative, is in any way concerned or interested, in the said resolution.

ITEM NO.6

Pursuant to the provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule' 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through special resolution.

Accordingly, on recommendation of Audit Committee and Meeting of the Board of Directors held on 13th August, 2022 approved related party transactions and now seek approval of the shareholders by way of Special Resolution under Section' 188 of the Companies Act, 2013 the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015 to enable the Company to enter into following related Party Transactions in one or more tranches. The transactions under consideration, is proposed to be entered into by the Company with the promoters of the Company is in the ordinary course of business and at arm length basis.

Following disclosure is provided with respect to the transactions:-

S. No	PARTICULARS	DETAILS
1	Name of the Related Party & Nature of Relationship	Innovative Interiors
2	Nature, Duration of the contract and particulars of the contract or arrangement	36 months & Sale of land
3	Material terms of the contract or arrangement including the value, if any	Value of Contract or arrangement determined by registered valuer
4	Any advance paid or received for the contract or arrangement, if any	Nil
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	Pricing is determined by registered valuer
6	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes, all the relevant factors are considered
7	Any other information relevant or important for the Board to take a decision on the proposed transaction	For the payment of loan

Except Mr. Rajender Kumar Agarwal and his relative, None of the Directors and/or KMP or their relatives is interested or concerned, financially or otherwise in the resolution set out in item no.6.

The Board therefore, recommends that the above resolution be passed by way of Special resolution

ITEM NO.7

Pursuant to the provisions of Section 188 of the Companies Act, 2013, the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said section require a Company to obtain approval of the Board of Directors and subsequently the Shareholders of the Company by way of resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule' 15 of the said Rules and transactions other than in ordinary course of business and on arm's length basis.

As per regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("SEBI LODR") also requires that all material related party transactions shall require approval of the shareholders through special resolution.

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Following disclosure is provided with respect to the transactions:-

S. No	PARTICULARS	DETAILS
1	Name of the Related Party & Nature of Relationship	Sheshadri Industries Limited
2	Nature, Duration of the contract and particulars of the contract or arrangement	36 months & Sale of land
3	Material terms of the contract or arrangement including the value, if any	Value of Contract or arrangement determined by registered valuer
4	Any advance paid or received for the contract or arrangement, if any	Nil
5	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	Pricing is determined by registered valuer
6	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes, all the relevant factors are considered
7	Any other information relevant or important for the Board to take a decision on the proposed transaction	For the payment of loan

Except Mr. Rajender Kumar Agarwal and his relative, None of the Directors and/or KMP or their relatives is interested or concerned, financially or otherwise in the resolution set out in item no.7.

The Board therefore, recommends that the above resolution be passed by way of Special resolution

Annexure-I

Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36 (3) of SEBI (Listing Obligations Disclosure Requirements), 2015)

Name of the Director	Mr. Rajender Kumar Agarwal
DIN	00041892
Date of Birth	28.07.1962
Nationality	Indian
Date of Appointment on the Board	12.10.1990
Qualifications	B.E (Mechanical)
Expertise in specific functional area	Experience of more than 25 years in Textiles business.
Number of shares held in the Company as on 31.03. 2022	12,19,359
List of the directorships held in other companies	1. Telangana Spinning & Textile Mills Association 2. Sheshadri Power and Infrastructure Private Limited
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	Nil
*Committee memberships/chairmanships includes only Audit Committee and Stake holders' Relationship Committee of other Public Limited Company (whether Listed or not).	
There is no inter-se relationship between Board Members.	

BOARD'S REPORT

Dear Member,

Your Directors are pleased to present the 43rd Annual Report of the Company for the year ended 31st March 2022.

FINANCIAL HIGHLIGHTS AND COMPANY AFFAIRS

The financial highlights of the company are as follows:-
(Rs. In lakhs)

PARTICULARS	2021-2022	2020-2021
Turnover /Revenue	5284.05	4330.30
Gross Profit before financial charges & depreciation & exceptional items	474.76	390.15
Less: Depreciation	171.55	173.30
Financial charges	152.46	179.61
Exceptional items	0.00	2.98
Profit / (Loss) before taxation	150.76	40.21
Tax expenses	0.00	117.32
Profit / (Loss) after taxation	150.76	(77.11)

OPERATIONS

The Company has posted good year of performance by achieving profits at the financial year ended 31st March 2022. Post Covid, the demand for textile product increased from rural markets and gradual opening of urban markets.

During the year under review, the Company has recorded total turnover of Rs. 5284.05 lakhs as against turnover of Rs. 4330.30 lakhs of the previous year. The operations during the year have resulted in a Profit of Rs. 150.76 lakhs as against the loss of Rs. 77.11 lakhs in the previous year. The Company has generated maximum revenue through sale of yarn.

DIVIDEND

The Board of Directors of your Company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided that it would be prudent, not to recommend any dividend for the year under review.

TRANSFER TO RESERVES

The Company has not proposed to transfer any amount to the general reserve for the year ended 31st March, 2022.

SHARE CAPITAL

The Authorized Capital of the Company stands at Rs. 35,25,00,000/- divided into 3,52,50,000 equity shares of Rs.10/- each and the Paid-up Capital stands at Rs. 4,90,85,760/- divided into 49,08,576 equity shares of 10/- each.

There is no change in Share Capital of the company during the year under review.

DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 ("Act"). Accordingly, there is no disclosure or reporting required in respect of details relating to deposits.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there was no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting financial position of the Company which have occurred between the end of the financial year of the company to which financial statements relate and date of the report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any loan, given guarantee or provided security pursuant to the provisions of Section 186 of Companies Act, 2013. The details of investments made by the Company pursuant to the provisions of Section 186 of Companies Act, 2013 is provided in Note 8 to the financial statement

CORPORATE GOVERNANCE

The Company's paid-up equity share capital is less than Rs. 10 crores and net worth is less than Rs. 25 crores as on the last day of the previous financial year. As such, according to Regulation 15(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliances with respect to Corporate Governance disclosures are not applicable to your Company. However, your Company strives to incorporate the appropriate standards for Corporate Governance in the interest of the stakeholders of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis as stipulated under Regulation 34 read with Schedule V, Part B of SEBI (LODR) Regulations, 2015 is presented as a separate section forming part of the Annual Report as (*Annexure – III*).

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

• CHANGES IN DIRECTORS

Retire by Rotation

Pursuant to provisions of the Companies Act, 2013, Mr. Rajender Kumar Agarwal (DIN: 00041892), Chairman is liable to retire by rotation at the forthcoming 43rd AGM and being eligible, seeks reappointment. The Board of Directors of the Company at its meeting held on August 13, 2022, on recommendation of the Nomination and Remuneration Committee, has approved the re-appointment of Mr. Rajender Kumar Agarwal as a Director of the Company, subject to the approval of shareholders at the forthcoming 43rd AGM. For reference of the members, a brief profile of Mr. Rajender Kumar Agarwal is given in the Notice convening the 43rd AGM.

Re-appointment of the Managing Director

Mr. Rajender Kumar Agarwal was re-appointed as Managing Director of the Company at the 41st Annual General Meeting held on 2nd December, 2020 for the period of 3 years commences from 13th February, 2020 to 12th February, 2023. The tenure of Mr. Rajender Kumar Agarwal will expire on 12th February, 2023.

On the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company had, vide resolutions passed on 13th August, 2022 approved the reappointment of Mr. Rajender Kumar Agarwal as Managing Director of the Company for a further period of 5 years commences from 13th February, 2023 subject to the approval of the Shareholders of the Company at forthcoming 43rd AGM to be held on 30th September, 2022.

• DISQUALIFICATIONS OF DIRECTORS

None of the directors is disqualified under Section 164(2) of the Act. They are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

• CHANGES IN KEY MANAGERIAL PERSONNEL

As on 31st March, 2022, following are the Key Managerial Personnel of the Company:

Mr. Rajender Kumar Agarwal- Managing Director & Chief Financial Officer

Ms. Diksha Omer- Company Secretary & Compliance Officer (w.e.f. 14.08.2021)

Ms. Diksha Omer was appointed by the Board of Directors as a Company Secretary & Compliance Officer of the Company w.e.f. 14th August 2021 and Ms. Ashu resigned from the position of Company Secretary and Compliance Officer of the Company from the close of business hours on 5th August 2021. The Board placed on record its appreciation for the work done by her during her tenure.

• DECLARATION BY INDEPENDENT DIRECTORS

In accordance with Section 149(7) of the Act, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Act, and is in compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Regulation 16(1)(b) and Regulation 25 of SEBI (LODR) Regulations, 2015. Further, each Independent Director has affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act. The Board has taken on record such declarations after due assessment of veracity.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out performance evaluation of its own performance, the Directors (including the Chairman) individually, as well as the evaluation of the working of the Committees.

The performance of the Board and the Committee was evaluated by the board after seeking inputs from all the directors and committee members on the basis of criteria such as the composition and structure, effectiveness of board processes and committee meetings, information and functioning, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In the Board Meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

NOMINATION AND REMUNERATION POLICY

The Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration as required under Sec 178 of the Companies Act, 2013 and Regulation 19(4) read with Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

BOARD AND THEIR COMMITTEE

• COMPOSITION OF BOARD AND THEIR MEETINGS

As on 31st March, 2022, the Board of Directors comprises of 4 (Four) Directors of these, 1 (One) is Executive Director and 3 (Three) are Independent Directors. The Chairman is an Executive Director.

The Board of Directors met five times during the financial year. The intervening gap between the meetings was within the period prescribed under the Act and Listing Regulations. Details of no. of board meeting and Directors' attendance at Board meetings given below:-

S. No.	Date of Board Meeting	No. of Directors present at meeting
1.	13/07/2021	4
2.	14/08/2021	4
3.	12/11/2021	4
4.	29/01/2022	4
5.	10/02/2022	4

• AUDIT COMMITTEE

As on 31st March 2022, the Audit Committee consisted of Mr. Rajender Kumar Agarwal, Mr. Uttam Gupta and Mr. Manish Gupta. All the recommendations made by the Audit Committee were accepted by the Board.

The Committee met four times during the financial year. Details of No. of Audit Committee meetings and members' attendance at meetings given below:-

S. No.	Date of Meeting	No. of Members present at meeting
1.	13/07/2021	3
2.	14/08/2021	3
3.	12/11/2021	3
4.	10/02/2022	3

• NOMINATION & REMUNERATION COMMITTEE

As on 31st March 2022, the Nomination & Remuneration Committee consisted of Mrs. Sushma Gupta, Mr. Uttam Gupta and Mr. Manish Gupta. All the recommendations made by the Committee were accepted by the Board.

The Committee met two times during the financial year. Details of No. of Nomination & Remuneration Committee meetings and members' attendance at meetings given below:-

S. No.	Date of Meeting	No. of Members present at meeting
1.	14/08/2021	3
2.	10/02/2022	3

• STAKEHOLDERS' RELATIONSHIP COMMITTEE

Your company has constituted a Stakeholders' Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders and other security holders.

As on 31st March 2022, the Stakeholders' Relationship Committee of the Board of Directors consisted of Mr. Rajender Kumar Agarwal, Mr. Uttam Gupta and Mr. Manish Gupta.

The Committee met four times during the financial year. Details of No. of Stakeholders' Relationship Committee meetings and members' attendance at meetings given below:-

S. No.	Date of Meeting	No. of Members present at meeting
1.	09/04/2021	3
2.	16/07/2021	3
3.	07/10/2021	3
4.	14/01/2022	3

• **SEPARATE MEETING OF INDEPENDENT DIRECTOR**

During the year under review, a separate meeting of Independent Directors was held on 10.02.2022 and all Independent Directors present at the meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Act, your Directors state that:

- a. Applicable accounting standards have been followed along with proper explanation relating to material departures in the preparation of the annual accounts;
- b. Accounting policies have been selected and applied consistently. Judgments and estimates made 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 FY2022 and of the profit of the Company for that period;
- c. Proper and sufficient care has been taken to maintain adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. Annual accounts have been prepared on a going concern basis;
- e. Adequate internal financial controls had laid down to be followed by the Company and that such internal financial controls were operating effectively; and
- f. Proper and adequate systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has in place adequate internal financial controls with reference to its financial statements. These

controls ensure the accuracy and completeness of the accounting records and the preparation of reliable financial statements.

RISK MANAGEMENT

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

PREVENTION OF INSIDER TRADING CODE

The Company has a policy i.e., code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company.

RELATED PARTY TRANSACTIONS

In accordance with Section 134(3)(h) of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of the contracts or arrangements with related parties referred to in Section 188(1) of the Act, in Form AOC-2, is attached as **Annexure II** to this Board's Report. All contracts and arrangements with related parties were at arm's length and in the ordinary course of business of the Company. Details of related party disclosures form part of the notes to the financial statements provided in the Annual Report.

VIGIL MECHANISM/ WHISTLE-BLOWER

The Company has a 'Whistle Blower Policy'/'Vigil Mechanism' in place. The objective of the Vigil Mechanism is to provide the employees, Directors, customers, contractors and other stakeholders of the Company an impartial and fair avenue to raise concerns and seek their redressal, in line with the Company's commitment to the highest possible standards of ethical, moral and legal business conduct and fair dealings with all its stakeholders and constituents and its commitment to open communication channels. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith. The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. The Policy contains the provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

The Policy on vigil mechanism cum Whistle Blower may be accessed on the Company's website at the link: <https://www.suryavanshi.com> there were no complaints received during the year 2021-22.

STATUTORY AUDITORS

M/s. K.S. Rao & Co., Chartered Accountants, (ICAI Firm Registration No. 003109S) were appointed as Statutory Auditors by the members in the 38th AGM held on 29th September 2017 for a period of 5 years to hold office until the conclusion of 43rd AGM of the Company to be held for the Financial year 2021-22 in accordance with the provisions of the Section 39 of the Companies Act, 2013.

The Board of Directors of the Company propose to re-appoint M/s. K.S. Rao & Co., Chartered Accountants, as Statutory Auditor of the Company subject to the approval of Members, for second term of Five (5) years from the conclusion of this 43rd AGM until the conclusion of 48th AGM in accordance with the Section 139 of the Companies Act, 2013.

M/s. K.S. Rao & Co., Chartered Accountants, have given their consent to act as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

EXPLANATION TO AUDITORS' QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS OR DISCLAIMERS

Following are the replies / clarifications in respect of the observations made by the statutory auditor in their audit report.

1. The management would like to bring to your notice that per the revised OTS sanctions terms vide the letter received from Union Bank of India dated 29th March, 2022 the total amount of interest to be paid under the entire scheme was Rs. 282.19 lakhs to be paid before 30th June, 2022. The company has settled the OTS scheme after payment of the outstanding sum and has also received No dues certificate from the bank to the effect.
2. The management would like to inform that the interest payable on statutory dues would be verified with individual statutory authorities and all the provisions relating to the same shall be made in the financial year 2022-23
3. The management would like to inform that in an attempt to obtain confirmation from, company has written and sent intimations to all the debtors and creditors, most of them have not yet responded and hence the workings for financials have been completed as per the available balances in the company's books.

4. Though the company has not obtained any formal quotes from third parties but company has paid / received payment relating to transaction of related party according to the prevailing market prices.
5. The management have agreed with the directors keeping in mind the financial position and future operation of the company the interest is not provided on secured loans.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Yellapragada and Associates, Practising Company Secretaries were appointed as Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for FY 2021-2022. The Secretarial Audit report in form MR-3 for the Financial Year ended 31st March 2022 is annexed herewith as **Annexure I** to this Report. The Secretarial Audit Report does not contain any qualification or adverse remark.

INTERNAL AUDITOR

In compliance with the provisions of Section 138 of the Companies Act, 2013 read with Rule 13(1)(a) of Companies (Accounts) Rules, 2014. The Board of Directors of the Company has appointed M/s. LANS & Co., Chartered Accountant as Internal Auditors to conduct Internal Audit of the Company for the Financial Year ended 31st March 2023.

COST AUDITOR

The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company has complied with all the applicable Secretarial Standards(SS) - I and Secretarial Standard (SS) - 2 issued by The Institute of Company Secretaries of India (ICSI) and notified by the Central Government

COMPLIANCE OF ACCOUNTING STANDARDS

As per requirements of the Listing Regulations, 2015 and applicable Accounting Standards, your Company has made proper disclosures in the financial statements. The applicable Accounting Standards have been duly adopted pursuant to the provisions of Sections 129 and 133 of the Act.

SIGNIFICANT/ MATERIAL ORDERS PASSED BY COURTS/ REGULATORS/ TRIBUNALS

During the financial Year, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

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

The Company has in place a policy on Prevention of Sexual Harassment of Employees at workplace in accordance with the Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Compliant Committee (ICC) has been set to redress complaints received regarding sexual harassment.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

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

A. CONSERVATION OF ENERGY

i)	The steps taken or impact on conservation of energy	Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved
ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil

iii)	The capital investment on energy conservation equipments	No specific investment has been made on reduction in energy consumption.
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B. TECHNOLOGY ABSORPTION

The Company constantly strives for maintenance and improvement in quality of its products and entire research and development activities are directed to achieve the goal.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There is no Foreign exchange earnings and outgo during the Financial Year.

ENVIRONMENT AND POLLUTION CONTROL

The manufacturing facility has obtained environmental clearance from the Pollution Control Board concerned and is in compliance with all current environmental legislation. As an integral part of its environment protection drive, the Company ensures the very minimum quantity of generation of waste, low emission levels and low noise pollution levels during operations of its manufacturing facility.

ANNUAL RETURN

The Annual Return of the Company as on March 31, 2022, in terms of the provisions of Section 134(3)(a) of the Act, is available on the Company's website and the web link is www.suryavanshi.com

GENERAL

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

- The Company has no subsidiaries, joint ventures or associate companies.
- During the year under review the Company has not given loan to any employee for purchase of its own shares as per section 67(3) (c) of Companies Act, 2013.

- The Company has not issued shares under employee's stock options scheme pursuant to provisions of Section 62 read with Rule 12 of Companies (Share Capital and Debenture) Rules, 2014.
- The Company has not issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of Companies (Share Capital and Debenture) Rules, 2014 & SEBI (issue of sweat equity) Regulations, 2002 during the Financial Year.
- The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending March 31, 2022.
- Details in respect of frauds reported by the Auditors under section 143(12) other than those which are reportable to the Central Government, as there were no such frauds

reported by the Auditors.

- There was no application made / proceeding pending under the Insolvency and Bankruptcy Code, 2016

ACKNOWLEDGMENT

Your directors place on record their sincere appreciation for the significant contribution made by your Company's employees through their dedication, hard work and commitment. The Board of Directors is pleased to place on record their appreciation for the co-operation and support extended by all Financial Institutions, Banks and various State and Central Government Agencies.

The Board would also like to thank the Company's shareholders, customers, suppliers for the support and the confidence which they have reposed in the management.

**By the order of Board of Directors
Suryavanshi Spinning Mills Limited**

Rajender Kumar Agarwal
Managing Director
DIN: 00041892

Place: Secunderabad
Date: 13.08.2022

Manish Gupta
Director
DIN:00526638

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,
SURYAVANSHI SPINNING MILLS LIMITED
CIN: L14220TG1978PLC002390
Registered office
Add: 105, Sardar Patel Road,
Secunderabad-500003
Telangana, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SURYAVANSHI SPINNING MILLS LIMITED** (herein after called the "Company"). Secretarial audit was conducted in a manner that provided me 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 and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2022 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 (records were verified in electronic form due to situation of "COVID-19") for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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') as amended from time to time:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**

- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; -- **Not Applicable.**

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -- **Not Applicable.**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; -- **Not Applicable**

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; -- **Not Applicable**

- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; -- **Not Applicable**

- i. The Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

- ii. The Listing Agreement entered into by the Company with BSE India Limited.

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

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis:

The management has identified and confirmed the following laws as being specifically applicable: and based on representation of the Management the said law are duly complied:

- a) Textiles (Development and Regulation) Order, 2001; and
- b) Hank Yarn Packing Notification issued under Essential Commodities Act, 1955.

We further report that,

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. **There is no change in the composition of the Board of Directors and in composition of Committees during the review period.**

Adequate notice is given to all Directors for the Board Meetings. Agenda and detailed notes on agenda were, in most cases, sent at least seven days in advance. All decisions are carried through with requisite majority. There were no dissenting views from the Board members during the period under review.

2. In Review, there are few delays in intimation of information/report/certificate to Stock Exchange, and management represented the said delay due to pandemic.
3. The auditor of the Company has given qualified report under point Material Uncertainty Related to Going Concern.

4. Information given by the Management that there, *company has defaulted in payments undisputed statutory dues at March 31, 2022 which includes Provident Fund, Employees 'State Insurance', Income-Tax, Sales-tax, and Value added tax.*

5. We further report that based on our limited review of the compliance mechanism established by the Company, there appear 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

6. There was no instance of Demerger/ Restructuring/ Scheme of Arrangement

7. The Company has not altered its Memorandum and Article of Association

8. We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliances on the part of the Company.

We further report that, during the period under review:

The shareholders of the Company vide postal ballot approved the related party transaction-sale of land to Innovative Interiors

We hereby state that due to present scenario of "COVID 19", the audit was done on the basis of information provided by the Company in electronic mode. We were unable to conduct actual physical examination of documents and reports filed by the Company with respect to compliances applicable

**For Yellapragada & Associates
Practicing Company Secretaries**

Cs Eshwar Sharma Yellapragada
Proprietor

Date: 13.08.2022
Place: Hyderabad.

M.No F11147, C P No. 19122
UIDN: F011147D000794138

ANNEXURE-A TO SECRETARIAL AUDIT REPORT

To
The Members,
SURYAVANSHI SPINNING MILLS LIMITED
CIN: L14220TG1978PLC002390
Registered office
Add: 105, Sardar Patel Road,
Secunderabad-500003
Telangana, India

Our report of even date is to be ready along with this supplementary testimony:

1. Maintenance of Secretarial record is the responsibility of 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 that were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a 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. Whenever required, we have obtained Management representation about the compliance of laws, rules and regulations and happenings of events etc. We have also verified the applicable provisions of IEPF which is compiled by the Company.
5. The Compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management conducted the affairs of the Company. We hereby state that due to present scenario of "COVID 19", the audit was done on the basis of information provided by the Company in electronic mode. We were unable to conduct actual physical examination of documents and reports filed by the Company with respect to compliances applicable.

For Yellapragada & Associates
Practicing Company Secretaries

Cs Eshwar Sharma Yellapragada
Proprietor
M.No F11147, C P No. 19122
UDIN: F011147D000794138

Date: 13.08.2022
Place: Hyderabad.

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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:

Name of the related party and nature	Nature of contract/ Arrangement/trans- actions	Duration of the contract/ arrange- ment/trans- action	Salient terms of the contract or arrangement or transaction includ- ing the value, if any	Justification for entering into such contract or arrangement or transaction	Date(s) of ap- proval by the Board	Amount paid as advance, if any	Date on which the special reso- lution was passed
NIL							

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

Name(s) of the related party and nature of relationship	Nature of contract/ ar- rangement/ transactions	Duration of the Transactions	Amount (in Lakhs)	Salient terms of the contracts or arrange- ments or transaction including the value if any	Date(s) of approval by the Board, if any
Rishikesh Yarns (Transaction with enterprises over which KMP and their relatives has significant influence)	Purchase of Raw Material	Ongoing	3705.29	As per the terms and condition of agreement	Not Applicable
Innovative Interior (Transaction with enterprises over which KMP & their relatives has significant influence)	Purchase of machinery and spares	Ongoing	0.22	As per the terms and condition of agreement	Not Applicable
Suryavanshi Industries Limited (Transaction with enterprises over which KMP has significant influence)	Sale of Machinery	Ongoing	0.10	As per the terms and condition of agreement	Not Applicable

**By order of the Board
For Suryavanshi Spinning Mills Limited**

**Place: Secunderabad
Date: 13.08.2022**

**Rajender Kumar Agarwal
Managing Director
DIN: 00041892**

MANAGEMENT DISCUSSION ANALYSIS FORMING PART OF THE ANNUAL REPORT

CORPORATE INFORMATION

Suryavanshi Spinning Mills Limited (the Company) is a public limited company incorporated on 27th December, 1978 and its Registered office at 105, S. P. Road, Surya Towers, Secunderabad, Telangana, India. The Company is listed on the Bombay Stock Exchange.

I. OVERALL REVIEW

India's GDP is estimated at US \$ 3.1 trillion in 2021. India's economy has recovered significantly in 2021 with a growth of 8.9% in GDP compared to a decline of -6.6% in 2020 due to the pandemic. The Indian economy is further expected to grow at a sustained pace with the risk of pandemic reduced especially for domestic demand. In merchandise exports India crossed the US \$ 400 billion mark for the first time, with a total merchandise exports of US \$ 417.8 billion in FY 2021-22, which shows significant recovery and growth in India's exports. From the perspective of textile industry, the Index of Industrial Production (IIP) for textiles took a major dip in the FY 2020-21 with an average index value of 91.1, however in 2021-22 IIP for textiles has recovered to reach an average value of 118 with growth of 29.5%.

With the easing of Covid restrictions across the country, consumer confidence is expected to return and result in elevated private consumption soon. The government is also focusing on infrastructure spending and encouraging industries to invest through various Production Linked Incentive (PLI) schemes across industries. This will further boost investor confidence and is expected to drive the economy forward in 2022, despite the inflation concerns.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

The overall size of India's textile and apparel market is estimated to be around US \$ 140 billion in 2021. Indian domestic textile and apparel market is estimated to be US\$ 99 billion in 2021 which has recovered from a drop in 2020 due to the pandemic. The market is expected to continue with 10% growth post-pandemic and reach US\$ 190 billion by 2025. India exported textiles worth US\$ 26 billion and apparel worth US\$ 15 billion in 2021. The total production capacity of India is increasing owing to

the setting up of new manufacturing units across the value chain. The domestic textile and apparel market had declined during the peak of the pandemic in 2020. Market is still recovering and is yet to reach 2019 levels, however with strong domestic demand fundamentals the market is expected to recover fully soon and is further expected to grow at a significant pace. The government of India has also been very proactive in incentivizing and encouraging the textile industry to invest through key policy initiatives. The government has introduced Production Linked Incentive Scheme for textile industry under which incentives will be provided to industry for setting textile and apparel manufacturing in key man-made fiber-based products. This will help in attracting investment in the entire value chain of man-made textiles in India in the near term. The Union Cabinet also approved PM MITRA (Mega Integrated Textile Region and Apparel) parks scheme for the textile sector to set up seven integrated textile parks in the country, as announced in Union Budget for 2021-22. The parks will offer an opportunity to create an integrated textile value chain, right from spinning, weaving, processing/ dyeing and printing to garment manufacturing, at one location. World-class industrial infrastructure would attract cutting edge technology and boost FDI and local investment in the sector. Also, India signed FTA (Free Trade Agreement) with the UAE owing to which the Indian textile and garment sector will see additional exports of \$ 2 billion to the UAE over the next 5 years. On this, incremental exports in man-made fiber textiles alone will be able to tune \$ 650 million.

3. OPPORTUNITIES AND THREATS

The textile industry in India is very strong as it has a variety of natural and man-made fibres and yarns. India's textile industry plays a technological and capital-intensive role and is compared with industries like heavy machinery, automobiles etc. Since the pattern of industrialisation in trade has become common in consumer goods industries and labour-intensive industries there is immense opportunity in the textile industry. India is estimated to be the second most appealing market by the year 2025. This boost results in a wide range of capacity to manufacture

different products that can be transported within India as well as across the world. Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

Currently the biggest threat is the enormous increase in cotton prices leading to high finished good prices. Consumers are therefore shifting their focus from cotton to man-made fibres. Further, increase in prices of other commodities such as coal, dyes and chemicals are also making the industry non-competitive.

4. RISKS AND CONCERNS:

Cotton/power and fuel costs are of concern. There are general threats/risks like Labour availability, Increase in Input Costs, Consumer sentiment, Competition, Currency Movements, Change in Government Policies and other Trade barriers. Our primary raw material is cotton, which we source from the domestic market. Cotton is an agricultural product and its supply and quality are subject to forces of nature. Any material shortage or interruption in the domestic supply or deterioration in the quality of cotton due to natural causes or other factors could result in increased production costs, which we may not successfully be able to pass on to customers, which in turn would have a material adverse effect on our business. Any increase in cotton prices would have a material adverse effect on our business. Power and Fuel are also major manufacturing costs while producing textiles. Any increase in these costs has a negative impact on the profits of the company.

5. OUT LOOK:

India has production facilities in both natural and man-made yarn production. India has an installed capacity of 57 million spindles, producing approximately 4,910 million kg yarn in 2020- 21. India is one of the largest producers and exporters of cotton yarn in the world with a production of 3,509 million kgs of 100% Cotton Spun Yarn in 2020-21. The exports stayed stagnant during the Covid era but witnessed a surge in demand in the year 2021, the exports went up to US \$ 4.9 billion jumping to an all-time high. Global buyers are looking for new destinations to source cotton yarn with low manufacturing costs

and better quality. Growing demand for comfortable clothing and home textiles has also led to an increase in cotton yarn demand. Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India as a result India has emerged one of the major manufacturer and exporter of Cotton Yarn in the world.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate internal control system commensurate with the size and complexity of the organization. The Company has undertaken a comprehensive review of all internal control systems to take care of the needs of the expanding size of the Company and also upgraded the IT support systems. A system of internal audit to meet the statutory requirement as well as to ensure proper implementation of management and accounting controls is in place. The Audit Committee periodically reviews the adequacy of the internal audit functions.

7. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The aim is to create an inclusive working environment that attracts and retains the best people, enhances their flexibility, capability and motivation and encourages them to be involved in the growth of the Company. We believe in sophisticated equipment and skilled employee resources, together with strong management and design capabilities. As on 31.03.2021 the Company has 120 number of employees on rolls of the company.

8. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

In view of change in operations the Company's financial performance were to the extent of Rs. 4330.30 lakhs in the previous financial year 2020-21 and it is increased to Rs. 5284.05 lakhs during the financial year 2021-2022 .

9. HEALTH, SAFETY AND SECURITY MEASURES:

The Company continues to accord the highest priority to health and safety of its employees and communities it operates in. The Company has been fully committed to comply with all applicable laws and regulations and maintains the highest standard

of Occupational Health and Safety and ensures safer plants by conducting safety audits, risk assessments and periodic safety awareness campaigns and training to employees. We believe in good health of our employees. Modern occupational health and medical services are accessible to all employees through well-equipped occupational health centers at all manufacturing units.

Further, to prevent the spread of pandemic Covid , the Company has taken all precautionary measures required, such as use of masks and sanitizers, social distancing etc., at all its plants and construction sites as well as at office locations. Your Company is in full compliance of all Government directives issued in this behalf. The Company has always considered safety

as one of its key focus areas and strives to make continuous improvement on this front.

10. CAUTIONAERY STATEMENT:

- i. Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/ unknown, expected or otherwise may influence the financial results. These statements are not expected to be updated or revised to take care of any changes in the underlying presumptions.
- ii. Readers may therefore appreciate the context in which these statements are made before making use of the same.

INDEPENDENT AUDITOR'S REPORT

**To the Members of SURYAVANSHI SPINNING MILLS LIMITED.
Report on the Audit of the Financial Statements**

Qualified Opinion

We have audited the accompanying financial statements of **SURYAVANSHI SPINNING MILLS LIMITED**. ("the company"), which comprise the Balance Sheet as at March 31, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of our observations stated in "Qualified Opinion" section below, the accompanying 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 Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss (total comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- i) During the year under review, the company has provided Rs.79.73 Lakhs as interest on working capital loans and term loans with Andhra Bank as per Terms of Onetime Settlement proposal submitted with the Banks. However as per the Revised terms of Sanction by Union Bank of India vide their letter dt 29/03/2022 the total Liability of Interest for the entire OTS period is Rs 2,82,19,441.
- ii) During the year under review, the company has provided Rs.8.20 Lakhs as interest on loan from Reliance commercial finance Ltd, whereas per the statement provided by lender the interest amount was Rs.30 lakhs
In the absence of statement of account/confirmation from the Banks and financial institutions the above amount has been arrived at as per calculation made by the Company.
- iii) Confirmation of balances was not obtained from Debtors, Creditors, loans and advances and other current assets. The management has not made any provision in the books of accounts.
- iv) The company did not provide the interest on unsecured loans received from directors and related parties.

Consequent to the above, profit for the year ended 31st March, 2022 was overstated and Shareholders funds are overstated to this extent.

We conducted our audit of the financial statements 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 Auditors responsibility for the Audit of 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

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

Key Audit Matters	Auditor's Response
<p>Evaluation of Contingent liabilities</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes</p> <p>Refer to Notes: no 41 to the Financial Statements</p>	<p>Principal audit procedures</p> <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> ● Obtained understanding of key uncertain tax positions; and ● We along with our internal tax experts – <ul style="list-style-type: none"> ➢ evaluated the Design and tested the operating effectiveness of controls around the assessment of the matter; ➢ Read and analyzed select key correspondences, external legal opinions / consultations by management for key uncertain tax positions; ➢ Discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions; and ➢ Assessed management's estimate of the possible outcome of the disputed cases; <p>Assessed the appropriateness of disclosures made under the head 'Contingent Liabilities' in the financial Statements.</p>

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and those charged with Governance for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 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 Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 system 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 standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 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 except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - b) Except for the effects of the matters described in the Basis for qualified opinion paragraph above, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,
 - c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account,
 - d) Except for the effects of the matters described in the basis for qualified opinion paragraph, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.
 - e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act,
 - f) With respect to the adequacy of internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g) No managerial remuneration was paid during the year under review. Accordingly, reporting under requirements of section 197 does not apply.
 - h) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 no 45 of 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, 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 under (a) and (b) above, contain any material misstatement.
- v. During the year the company has not declared any dividend.

for **K.S.RAO & CO.**
Chartered Accountants
Firm's Regn No.003109S

(M.NAGA PRASADU)
Partner
Membership No.231388
UDIN: 22231388AJMMZJ8651

Place : Hyderabad
Date : 24.05.2022

Annexure - A to the Auditor's Report:

The Annexure referred to in Para I under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members SURYAVANSHI SPINNING MILLS LIMITED, for the year ended March 31, 2022.

1. a. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (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 regular program of physical verification of its property, plant and equipment, and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company,

The company did not revalue its Property, Plant and Equipment (including right of use assets) or intangible assets during the year. Accordingly, paragraph 3 (i)(d) of the Order is not applicable.

There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. a. The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- b. As explained to us the company is not submitting any quarterly returns or statements to the financial institutions during the financial year.
3. The company has not granted any loans to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of Clauses {a} to {f} of sub para {iii} of Para 3 of the said Order are not applicable for the year under report:
4. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under sections 185 and 186. Therefore, the provisions of clause 3(iv) of the said order not applicable to the Company
5. As explained to us the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
6. We have broadly reviewed the cost records maintained by the Company pursuant to sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prime facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or Complete.
7. a. According to the records, the company is not regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees 'state insurance, Income-tax, Sales-tax, Service tax, Duty of customs, Duty of excise, Value added tax, Cess and all other material statutory dues with the appropriate authorities. . However, the extent of arrears of outstanding statutory dues as at March 31, 2022 for a period more than six months from the date they became payable are as below.

Name of Statute	Nature of the dues	Amount (In Lakhs)	Period to which the amount relates (Financial Year)	Due Since	Date of Payment
Employees provident Fund Act	Provident Fund Contribution	33.31	2017-2018, 2018-2019 2019-20 and 2020-21	June,2017	Not Yet Paid
Employees State Insurance Act	Employees State Insurance	8.11	2019-20 and 2020-21	April,2019	Not Yet Paid
Central Sales Tax Act	CST	35.15	2017-18	March,2018	Not yet Paid

- b. According to the records of the Company and the information and explanations given to us, the dues of Sales tax, Income tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty, Cess, which have not been deposited on account of dispute are as follows:

Name of Statute	Nature of the dues	Amount (In Lakhs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Andhra Pradesh General Sales Tax(APGST)Act, 1957	Sales Tax dues	23.51	2001-02	Hon'ble High Court, Hyderabad.

8. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
9. a) Below are the list of outstanding dues payables to financial institutions and Banks for the year ended March 31, 2022. As the Banks have offered settlement under OTS for which the company paid part of the settlement amount, details are given below:

Name of the Bank	Amount of default as at the Balance Sheet date (Rs in Lakhs)*	Due from
Term Loans		
Andhra Bank -Corp	1292.86	From Sep'2016
Working capital Loan		
Andhra Bank	1202.00	From Sep'2016
Less: Amount paid against OTS upto 31.03.2022	1395.20	
Net Outstanding liability as on 31 .03.2022	1100.00	

*Total Principal dues excluding interest

- b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) The company does not raise any term loans or working capital loans during the year. Hence Para 3(ix) c ,(d), the above mentioned Order is not applicable;

- d) The Company does not have subsidiaries, associates, or joint ventures. Hence Para 3(ix) (e) the above-mentioned Order is not applicable;
10. a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under para 3(x)(b) of the order doesn't arise.
11. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b) We have considered the reports of the Internal Auditors for the period under audit.;
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Therefore, the provision of clause 3(xv) of the Order is not applicable;
16. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, para 3 (xvi)(b) of the Order is not applicable.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Para 3(xvi) (c) of the said Order is not applicable.
- d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) is not applicable.
17. The company has not incurred any cash losses in the financial year and also in the immediately preceding financial year
18. There is no resignation of statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, Para 3(xx)(a) and (b) of the Order is not applicable for the year.
21. The Company does not have subsidiaries, associates or joint ventures. Hence para 3 {xxi} of the above said Order with regard to qualifications or adverse remarks in CARO reports of the companies included in the consolidated financial statements, is not applicable.

for **K.S.RAO & CO.**
Chartered Accountants
Firm's Regn No. 003109S

(M.NAGA PRASADU)
Partner
Membership No. 231388
UDIN: 22231388AJMMZJ8651

Place : Hyderabad
Date : 24.05.2022

Annexure – B to the Auditor’s Report

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

We have audited the internal financial controls with reference to financial statements of **SURYAVANSHI SPINNING MILLS LIMITED, SECUNDERABAD** (“the Company”) as of March 31, 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following weaknesses has been identified as at March 31, 2022.

- a) The Company did not obtain comparative quotes for the prices paid/ received relating to the transactions with related parties to ensures that those transactions were entered into at armlength prices.
- b) As stated in Note no. 44 and 46 Pending confirmations/ reconciliation of balances of secured borrowings, balances with banks including, trade receivables, trade payables (including micro and small) and receivables/payables from/to related parties. In this regard as stated in the note, internal control is being strengthen.

The management is confident that on confirmation/reconciliation there will not be any material impact on the financial statements for the year ended March 31, 2022.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 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”.

We have considered the weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and these weaknesses do not affect our opinion on the financial statements of the company.

for **K.S.RAO & CO.**
Chartered Accountants
Firm's Regn No. 003109S

(M.NAGA PRASADU)
Partner
Membership No. 231388
UDIN: 22231388AJMMZJ8651

Place : Hyderabad
Date : 24.05.2022

BALANCE SHEET AS AT MARCH 31, 2021

Amount in Rs. Lakhs

Particulars	Note No.	As at March 31,2022	As at March 31,2021
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	2,487.33	2,525.84
(b) Intangible assets	5	0.13	0.13
(c) Capital work-in-progress	6	9.91	4.35
(d) Financial Assets			
(i) Loans & Advances	7	174.88	174.88
(ii) Investments	8	20.02	13.88
TOTAL Non - Current Assets		2,692.26	2,719.08
Current assets			
(a) Inventories	9	596.46	478.53
(b) Financial Assets			
(i) Trade receivables	10	235.64	315.21
(ii) Cash and cash equivalents	11	24.95	154.91
(iii) Others financial assets	12	1.25	7.97
(c) Current tax assets		76.29	66.27
(d) Other current assets	13	340.71	194.91
TOTAL Current Assets		1,275.30	1,217.80
Total Assets		3,967.55	3,936.88
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	491.08	491.08
(b) Other Equity	15	(1,427.95)	(1,599.97)
Total Equity		(936.87)	(1,108.89)
Liabilities			
Non - current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,136.12	1,198.66
(b) Provisions	17	48.66	72.93
(c) Other Non-Current Liabilities	18	15.35	20.15
Total Non - Current Liabilities		1,200.13	1,291.74
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,152.23	1,698.22
(b) Trade payables	20		
i) MSME		12.23	15.47
ii) Other than MSME		1,022.42	1,102.25
(c) Other financial liabilities	21	351.45	271.71
(d) Other current liabilities	22	938.75	435.47
(e) Provisions	23	227.23	230.91
Total Current liabilities		3,704.30	3,754.03
Contingent Liabilities and Commitments			
Total Equity and Liabilities		3,967.55	3,936.88

NOTES TO THE FINANCIAL STATEMENTS

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For K.S.Rao & Co.

Chartered Accountants

Firms' Registration Number: 003109S

M.Naga Prasadu

Partner

Membership Number:231388

Place : Secunderabad

Date: 24th May, 2022

 For and on behalf of Board of Directors
Suryavanshi Spinning Mills Limited
R.K. Agarwal
 Managing Director

Diksha Omer
 Company Secretary

Manish Gupta
 Director

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2022

Amount in Rs. Lakhs

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I.	Revenue from Operations	24	5,284.05	4,330.30
II.	Other Income	25	159.25	44.03
III.	Total Income (I + II)		5,443.30	4,374.33
IV.	Expenses			
	Cost of Materials Consumed	26	3,107.24	2,150.46
	Purchases of Stock-in-Trade		-	769.48
	Changes in inventories of Stock-In-Trade	27	1.60	(212.25)
	Employee Benefits Expense	28	704.52	534.32
	Finance Cost	29	152.47	179.61
	Depreciation and amortisation expense	30	171.55	173.30
	Other expenses	31	1,155.16	742.18
	Total expenses (IV)		5,292.54	4,337.10
V.	Profit /Loss before exceptional items and tax (III - IV)		150.76	37.23
VI.	Exceptional items		-	2.98
VII.	Profit/Loss before tax (V + VI)		150.76	40.21
VIII.	Tax Expenses:			
	a. Current Tax			
	i. Relating to current period		-	-
	ii. Relating to Prior period		-	117.32
	b. Deferred tax liability /(Asset)			
	i. On Temporary Differences			-
	Total Tax Expenses (VIII)		-	117.32
IX.	Profit for the period (VII - VIII)		150.76	(77.11)
X.	Other Comprehensive income	32		
	i. Items that will not be reclassified subsequently to profit or loss		21.26	37.71
	ii. Income tax relating to items that will not be reclassified to profit or loss			-
	Total Other Comprehensive Income for the period (VIII)		21.26	37.71
XI.	Total Comprehensive Income for The Period (VII + VIII)		172.02	(39.40)
XII.	Earnings per equity share from Continuing operations:	33		
	Basic and Diluted		3.50	(0.80)

The notes referred to above, form an integral part of these financial statements.

per our report of even date

For K.S.Rao & Co.

Chartered Accountants

Firms' Registration Number: 003109S

For and on behalf of Board of Directors
Suryavanshi Spinning Mills Limited

M.Naga Prasadu

Partner

Membership Number:231388

Place : Secunderabad

Date: 24th May, 2022

R.K. Agarwal

Managing Director

Diksha Omer
Company Secretary

Manish Gupta

Director

Statement of Changes in Equity for the year ended March 31, 2022

(Rs in Lakhs.)

I Equity Share capital

Particulars	At the beginning of the year	Changes during the year	At the end of the year
For the year ended March 31, 2022	491.08	-	491.08
For the year ended March 31, 2021	491.08	-	491.08

II Other Equity

Particulars	Reserves and Surplus			Other comprehensive Income	Equity Portion on Interest free unsecured Loan from Directors	Total Equity
	Securities Premium	Capital Redemption Reserve	Export Allowance Reserve			
Balance as on 01.04.2021	1,048.61	8.00	5.50	38.94	18.67	(1,599.97)
Profit/Loss for the year	-	-	(2,719.69)	-	-	150.76
Other comprehensive income	-	-	-	21.26	-	21.26
Total comprehensive income	-	-	-	21.26	-	172.02
Equity portion of loan from Directors	-	-	-	-	-	-
As at March 31, 2021	1,048.61	8.00	5.50	60.20	18.67	(1,427.95)
Significant accounting polices	2&3					

See accompanying notes forming part of financials statements

per our report of even date

For K.S.Rao & Co.

Chartered Accountants

Firms' Registration Number: 0031095

M.Naga Prasadu

Partner

Membership Number:231388

Place : Secunderabad

Date: 24th May, 2022

For and on behalf of Board of Directors
Suryavanshi Spinning Mills Limited

R.K. Agarwal
Managing Director

Manish Gupta
Director

Diksha Omer
Company Secretary

Cash flow Statement for the year ended March 31, 2022

(Amount in Lakhs)

Particulars	For the year ended March 31, 2022 (Audited)	For the Year ended March 31, 2021 (Audited)
I Cash flow from operating activities:		
A. Profit before tax	150.76	40.21
B. Adjustment for:		
a. Depreciation and amortisation	171.55	173.30
b. Interest income	(7.19)	(7.71)
c. Unrealised (gain)/loss on Investments (net)	(6.13)	(8.24)
d. (Profit)/Loss on sale of fixed assets (Net)	0.88	10.45
f. Provisions Written back	(6.13)	(12.92)
h. Finance cost	84.33	172.48
i. Discount Received	(84.47)	
j. Bad Debts/Debit Balance written off	10.08	5.40
l. Interest expense on unsecured loan	64.14	7.13
m. Interest expense on Sales Tax deferment	2.08	-
n. Income on Government Grant	(4.80)	(0.29)
	375.09	379.80
C. Adjustment for movements in Working capital		
a. Trade payables,	7.53	478.24
b. Other liabilities and Provisions	558.74	(176.76)
c. Trade receivables	69.49	(18.12)
d. Inventories	(117.93)	(225.64)
e. Other Long Term Provisions	(24.27)	(21.95)
f. Other Short Term Provisions	32.59	
g. Financial and other current assets (Net of fair value adjustment on deposits)	(146)	94.16
D. Cash generated from Operations	755.43	509.73
Less: Direct taxes Paid	(10.02)	(117.32)
E. Net cash flow from operating activities (I)	745.41	392.41
Effect of Extraordinary / Exceptional Item	-	2.97
F. Net cash flow from operating activities (I)	745.41	395.38
II Cash flows from investing activities		
a. Purchase of fixed assets, including CWIP	(144.36)	(77.65)
b. Proceeds from sale of fixed assets	0.59	10.01
c. Maturity of Security Deposits	(6.13)	(8.77)
d. Proceeds from deposits on maturity	(140.92)	129.25
f. Interest received	13.73	9.81
Net cash flow from/ (used in) investing activities (II)	(277.09)	62.65

Particulars	For the year ended March 31, 2022 (Audited)	For the Year ended March 31, 2021 (Audited)
III Cash flows from financing activities		
a. Interest paid	(72.73)	(57.05)
Proceeds from Loans & borrowings		-
Repayments of Loans & borrowings	(525.56)	(268.51)
b. Dividends Income		-
Net cash flow from/ (used in) financing activities (III)	(598.29)	(325.56)
IV Net (decrease) in cash and cash equivalents (I + II + III)	(129.96)	132.47
Cash and cash equivalents at the beginning of the year	154.91	22.44
V Cash and cash equivalents at the end of the year	24.95	154.91
VI Components of cash and cash equivalents:		
a. Cash on hand	0.15	10.48
b. With banks		
i. on current account	24.80	144.43
Total cash and cash equivalents (note no. I2)	24.95	154.91

Significant accounting policies 2 & 3

The notes referred to above, form an integral part of financial Statements

per our report of even date

For K.S.Rao & Co.

Chartered Accountants

Firms' Registration Number: 003109S

M.Naga Prasadu

Partner

Membership Number:231388

Place : Secunderabad

Date: 24th May, 2022

For and on behalf of Board of Directors
Suryavanshi Spinning Mills Limited

R.K. Agarwal
Managing Director

Diksha Omer
Company Secretary

Manish Gupta
Director

I. Notes forming part of the financial statement as at 31st March,2022

Corporate Information

Suryavanshi Spinning Mills Limited (The 'Company') is a Public Limited Company incorporated on 27.12.1978 and its Registered Office is at 6th Floor, Surya towers, 105, Sardar patel.Road, Secunderabad-500003, Telengana State. The Company is engaged in manufacturing Polyester Yarn and Absorbent bleached cotton at its manufacturing unit located at Aliabad, R R District at Telangana. The Company is listed on BSE

The Financial Statements of the company for the year ended March 31,2022 are approved by the Board of Directors of the company on May 24, 2022

2. Basis of preparation:

This IND AS financial statements of the company have been prepared in accordance with Indian Accounting Standards (Here in after referred to as the "IND AS") as notified by the Ministry of Corporate Affairs pursuant to the Section 133 of the Companies Act, 2013 ("The Act") read along with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standard) Amendment Rules , 2016 and other relevant provisions of the Companies Act as applicable in India.

3. Significant Accounting policies:

a) Significant accounting estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosures of contingencies at the end of the each reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes that requiring a material adjustment to the carrying amounts of assets or liabilities affected in future periods.

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation of 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. The assumptions and estimates made by the company are based on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i. Impairment of non-current assets:

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 disposals and its value in use. The fair value less costs of disposal is calculated based on available data from binding sales transactions, conducted at arm's length price, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow ("DCF") model. The value in use is sensitive to the discount rate (generally weighted average cost of capital) used for the DCF model as well as the expected future cash-inflows and the growth rate used for exploration purposes.

ii. Defined Benefit Plans:

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

iii. Fair Value measurement of financial instruments:

When the fair values of financial assets and financial liabilities on reporting date cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques i.e., the DCF model. The inputs to these models are taken from observable markets.

iv. Contingencies:

Management judgment is required for estimating the possible inflow/outflow of resources, if any, in respect of contingencies/claim/litigations against the company/by the company as it is not possible to predict the outcome of pending matters with accuracy.

v. Property, Plant and Equipment:

Based on evaluations done by technical assessment team, the management has adopted the useful life and residual value of its Property, Plant and Equipment. Management believes that the assigned useful lives and residual value are reasonable.

vi. Intangibles:

Internal technical or user team assesses the useful lives of Intangible assets. Management believes that assigned useful lives are reasonable.

vii. Income Taxes:

Management judgment is required for the calculation of provision for income taxes and deferred tax assets/liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets/liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

b) Current V/s Non-current classifications:

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

An asset is treated as current when it satisfies below criteria:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current assets.

A liability is classified as current when it satisfies below criteria:

- i. Expected to settle the liability in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

c) Property, Plant and Equipment:

Property, Plant and Equipment are stated at cost net of GST input credit, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, any attributable cost of bringing the asset to its working condition for its intended use and cost of borrowing till the date of capitalization in the case of assets involving material investment and substantial lead time.

Subsequent costs are included in the carrying amount of an asset or recognised as a separate asset, as appropriate, only if it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of profit and loss in the period in which they are incurred.

The company adopted cost model as its accounting policy, in recognition of the Property, Plant and Equipment and recognizes at the transaction value as the cost.

Direct expenditure incurred and other attributable costs on projects under construction or in the process of installation are termed as Capital work in progress and shown at cost in the Balance Sheet.

Depreciation is provided on the straight line method as per the useful life prescribed in the schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of certain assets has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance supports etc.

Estimated useful life of the assets are as follows:

Type of the Asset	Method of Depreciation	Useful life considered
Buildings	Straight line Method	3 – 60 Years
Plant and Machinery	Straight line Method	5 - 15 Years
Data processing equipment	Straight line Method	3 Years
Furniture and fixtures	Straight line Method	10 Years
Vehicles	Straight line Method	8 Years
Office Equipment	Straight line Method	5 Years

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value, if any, is charged to Statement of Profit and Loss.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant, and equipment recognized as at March 31, 2016 measured as per Previous GAAP as the deemed cost of property plant and equipment.

d) Intangible Assets:

Intangible assets are carried at cost, net of accumulated amortisation expenses and impairment losses, if any. Cost of an intangible asset comprise of purchase price and attributable expenditure on making the asset ready for its intended use.

Computer software:

Costs incurred towards purchase of computer software are amortised over the useful life as estimated by the Management which is about 3 years for all of the intangible computer software assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an intangible asset, 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 derecognised.

e) Impairment of tangible and intangible assets:

- i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- ii. When there is an indication that previously recognised impairment losses no longer exists or may have decreased, then such impairment losses are recognised in the Statement of profit and loss.

f) Borrowing Cost:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

g) Inventories:

i. Stock-in-Trade (Finished Goods) and Stock-in-Process:

Stock-in-Trade and Stock-in-Process are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price of inventories less estimated costs of completion and costs necessary to make the sale. Cost is determined on weighted average basis.

ii. Stores and Spares:

Spare parts, stand-by equipment and servicing equipment are recognised in accordance with Ind-AS 16 when they meet the definition of Property, Plant and Equipment. Otherwise, such items are classified as inventory. Spare parts, stand-by equipment and servicing equipment classified as inventory are stated at cost. Cost is determined on weighted average basis.

iii. Raw Materials:

Raw Materials are stated at Cost. Cost is determined on weighted average basis.

h) Fair Value Measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or a liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2, or value in use in Ind AS 36.

In addition, for financial reporting purpose, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety.

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

- i. Level 1 – Quoted (unadjusted market prices) in active markets for identical assets or liabilities.
- ii. Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
- iii. Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

i) Revenue recognition:

i. Revenue from operations:

Revenue is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from operations includes sale of goods, net of Goods and Service Tax (GST) and trade discounts, cash discounts and other discounts.

ii. Interest/dividend:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive payment is established by the balance sheet date.

iii. Incentives on Export Sales:

Income from Incentives on Export Sales is recognised as income on accrual basis.

j) Foreign currency transactions:

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when fair value is determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

k) Retirement and other employee benefits:

i. Employer's contribution to Provident Fund, Employee State Insurance and Labor Welfare Fund which is in the nature of defined contribution scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

ii. Gratuity liability is in the nature of defined benefit obligation. The company's Plan Assets comprise of Gratuity non funded and liability is provided based on independent actuarial valuation on projected unit credit method made at the end of each reporting period as per the requirements of Ind AS 19 on "Employee Benefits".

Actuarial gain/(loss) in the valuation are recognised as other comprehensive income for the period.

iii. Compensated absences which are in the nature of defined benefit obligation are provided for based on estimates and provided for on the basis of independent actuarial valuation on projected unit credit method made at the end of each financial year as per the requirements of Ind AS 19 on "Employee Benefits".

l) Earnings Per Share:

Basic earnings per share is calculated by dividing the profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

m) Provisions:

Provisions are recognised when there is a present legal or constructive obligation that can be estimated reliably, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provisions.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provisions are reversed. Where the effect of the time of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provisions due to the passage of time is recognised as a finance cost.

n) Contingencies:

Where it is not probable that an inflow or an outflow of economic resources will be required, or the amount cannot be estimated reliably, the asset or the obligation is not recognised in the balance sheet and is disclosed as a contingent asset or contingent liability, unless the probability of inflow or outflow of economic benefits is remote. Possible outcomes on obligations/rights, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets or contingent liabilities unless the probability of inflow or outflow of economic benefits is remote.

o) Taxes on Income:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Current tax includes taxes to be paid on the profit earned during the year and for the prior periods.

Deferred income taxes are provided based on the balance sheet approach considering the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if it is probable that they can be utilised against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-off the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-off is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

q) Prior period items:

In case prior period adjustments are material in nature the company prepares the restated financial statement as required under Ind AS 8 - "Accounting Policies, Changes in Accounting Estimates and Errors". In case of immaterial items pertaining to prior periods are shown under respective items in the Statement of Profit and Loss.

p) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investment with original maturities of three months or less that are readily convertible to a known amount of cash as are subject to an insignificant risk of changes in value and are held for meeting short-term cash commitments.

For the Statement of Cash Flows, cash and cash equivalents consists of short term deposits, as defined above, net of outstanding bank overdraft (if any) as they being considered as integral part of the company's cash management.

q) Financial instruments:

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

Financial Assets:

A. Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

B. Subsequent measurement:

For subsequent measurement, financial assets are classified into following categories:

- a. Debt instruments at amortised cost
- b. Debt instruments at fair value through profit and loss
- c. Equity instruments at fair value through profit and loss

a. Debt Instruments at amortized cost:

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

b. Debt instrument at fair value through profit and loss (FVTPL):

AS per the Ind AS 101 and Ind AS 109 company is permitted to designate the previously recognised financial asset at initial recognition irrecoverably at fair value through profit or loss on the basis of facts and circumstances that exists on the date of transition to Ind AS. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

c. Equity Instruments at fair value through profit and loss (FVTPL):

Equity instruments in the scope of Ind AS 109 are measured at fair value. The classification is made on initial recognition and is irrevocable. Subsequent changes in the fair values at each reporting date are recognised in the statement of profit and loss.

C. Derecognition:

A financial asset or where applicable, a part of a financial asset is primarily derecognised when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement.

D. Impairment of financial assets:

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

Expected credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognised during the period is recognised as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet it is shown as reduction from the specific financial asset.

Financial liabilities:

A. Initial recognition and measurement:

At initial recognition, all financial liabilities are recognised at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs.

B. Subsequent measurement:

a. Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gain or losses on liabilities held for trading are recognised in the statement of profit and loss.

The company doesn't designate any financial liability at fair value through profit or loss.

b. Financial liabilities at amortised cost:

Amortised cost, in case of financial liabilities with maturity more than one year, is calculated by discounting the future cash flows with effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Financial liability with maturity of less than one year is shown at transaction value.

C. Derecognition:

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of profit and loss as other income or finance costs.

r) Segment reporting:

The Company has only one reportable business segment, which is textile products and operates in a single business segment. Accordingly, the amounts appearing in the financial statements relate to the company's single business segment.

s) Exceptional Items

Significant gains/losses or expenses incurred arising from external events that is not expected to recur are disclosed as 'Exceptional Item'.

Notes forming part of the financials statement as at 31st March, 2022

Amount in Rs. Lakhs

4 Property, Plant and Equipment

Particulars	Gross Block				Accumulated Depreciation/Amortisation			Net Block	
	Balance as at 1 April 2021	Additions	Disposals	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation for the year	Disposals	Balance as at 31 March 2022	Balance as at 31 March 2021
a									
Tangible Assets									
Land	5.08	131.54	-	136.62	-	-	-	136.62	5.08
Buildings :									
Factory Buildings	821.24	-	-	821.24	494.98	22.25	-	304.01	326.26
Non Factory Buildings-Non Resident	73.80	-	-	73.80	20.76	1.16	-	51.87	53.03
- Resident	114.44	-	-	114.44	27.93	1.80	-	84.72	86.52
Plant and Equipment :									
Plant & Machinery	5,005.96	2.50	3.22	5,005.24	3,021.82	130.90	1.76	1,854.05	1,983.48
Generators	-	-	-	-	-	-	-	-	-
Testing Equipment	13.95	-	-	13.95	13.16	0.02	-	0.76	0.78
Electrical Installations	153.78	-	-	153.78	117.79	8.62	-	27.37	35.99
Workshop Equipments	-	-	-	-	-	-	-	-	-
Weighing Machines	1.86	-	-	1.86	1.50	0.11	-	0.24	0.35
Water Works	0.68	-	-	0.68	0.47	0.07	-	0.14	0.21
Furniture & Fixtures	28.96	-	-	28.96	18.39	1.92	-	8.65	10.57
Office Equipment	8.35	-	-	8.35	7.81	0.13	-	0.41	0.54
Air Conditioners	24.21	-	-	24.21	15.08	1.74	-	7.39	9.13
Vehicles	176.37	-	-	176.37	163.76	2.57	-	10.04	12.61
Data Processing Equipment	26.11	0.02	-	26.12	24.84	0.24	-	1.04	1.26
Total	6,454.80	134.06	3.22	6,585.64	3,928.30	171.55	1.76	4,098.31	2,525.84

Notes forming part of the financials statement as at 31st March, 2022

4 Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation/Amortisation			Net Block	
	Balance as at 1 April 2021	Additions	Disposals	Balance as at 31 March 2022	Disposals	Depreciation for the year	Balance as at 31 March 2022	Balance as at 31 March 2021
5 Intangible Assets								
Computer software	0.13	-	-	0.13	-	-	0.13	0.13
Total	0.13	-	-	0.13	-	-	0.13	0.13
6 Capital Work In Progress								
	4.35	9.91	4.35	9.91	4.35	-	9.91	4.35
Total	4.35	9.91	4.35	9.91	4.35	-	9.91	4.35
Total (a+b+c)	6,459.28	143.97	7.57	6,595.68	171.55	1.76	4,098.31	2,497.36

6 a) Capital Work in Progress ageing schedule

Particulars	Less than one year	1-2 years	2-3 years	More than 3 years	Total as at 31st March, 2022
Projects in Progress	9.91				9.91

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
7 Loans - Non Current:		
a. Security Deposits - Recoverable (Telephone, APSEB, Electricity ,Coal deposits and others)	174.88	174.88
Total	174.88	174.88
8 Other Financial Assets - Non Current:		
<u>Investments in other companies-Quoted</u>		
(i) Jindal Polyfilms Limited	11.50	7.80
(ii) Artefact Projects Limited	1.01	0.47
(iii) Andhra Bank	2.86	2.58
(iv) Icici Bank Ltd	2.95	2.21
(v) Coal India Limited	0.92	0.69
(vi) Jindal Poly investment & Finance Company Limited	0.78	0.13
Total	20.02	13.88
9 Inventories:		
a. Rawmaterials	145.91	31.07
b. Finished Goods	162.51	302.39
c. Stores and Spares	58.02	53.32
d. Work in Progress	221.52	90.08
e. Others -Cotton & PV waste(at realizable value)	8.50	1.67
Total	596.46	478.53
10 Trade Receivables:		
Unsecured, Considered Good		
a. Related Parties	-	-
b. Others	235.64	315.21
Total	235.64	315.21

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

10 a) Trade Receivables ageing Schedule:

S. No.	Particulars	Outstanding for following Periods from Due date of Payment					Total as at 31st March,2022
		Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	8,310,356		15,253,536			23,563,892
(ii)	Undisputed Trade Receivables - Considered doubtful						
(iii)	Disputed Trade Receivables - Considered doubtful						
(iv)	Disputed Trade Receivables - Considered doubtful						

b) Trade Receivables ageing Schedule:

S. No.	Particulars	Outstanding for following Periods from Due date of Payment					Total as at 31st March,2022
		Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables - Considered good	3,029,646	205,946	572,122	24,865,220	2,848,303	31,521,237
(ii)	Undisputed Trade Receivables - Considered doubtful						
(iii)	Disputed Trade Receivables - Considered doubtful						
(iv)	Disputed Trade Receivables - Considered doubtful						

PARTICULARS	As at March 31,2022	As at March 31,2021
II Cash and cash equivalents:		
A. Balances in bank a/c's		
a. Current Accounts	24.80	142.16
B. Cash on Hand	0.15	10.47
C. Fixed Deposits with Banks	-	2.26
D. Post office Savings Bank	-	0.02
Total	24.95	154.91

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
12 Other financial assets - Current:		
I. Unsecured, Considered good		
Staff Advances	1.25	1.43
II. Secured, Considered good		
Interest receivable	-	6.54
Total	1.25	7.97
13 Other Current Assets:		
I. Unsecured, Considered good		
a. Advance for purchase of raw material and stores	32.84	162.62
b. Balance with Government departments	14.63	19.84
c. Advance to Related Parties	274.45	-
d. Prepaid Expenses	2.91	5.34
e. Other Assets	15.87	7.11
Total	340.71	194.91
14 Share capital:		
A. <u>Authorised Share Capital:</u>		
3,52,50,000 Equity Shares of Rs. 10/- each	352,500.00	352,500.00
	352,500.00	352,500.00
B. <u>Issue Share Capital:</u>		
49,13,076 Equity shares of Rs 10/- each	491.31	491.31
	491.31	491.31
C. <u>Subscribed and paid up capital:</u>		
49,08,576 Equity Shares of Rs.10 each	490.86	490.86
Add: Forfeited Shares	0.23	0.23
	491.08	491.08

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
D. Reconciliation of the shares outstanding at the beginning and at the end of year:		
(A) Equity Share Capital		
In no. of Shares		
At the Beginning and at the end of the period	4,913,076	4,913,076
In value of Shares		
At the Beginning and at the end of the period	49,130,760	49,130,760
E. Rights attached to the Equity Shares:		
(i) The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share.		
F. Details of Shareholders holding more than 5% shares in the company:		
(A) Equity Shares:		
a. Sri. Rajender Kumar Agarwal In no.s	1,219,359	1,219,359
In %	24.84%	24.84%
b. Smt. Yamunadevi Agarwal In no.s	1,011,767	1,011,767
In %	20.61%	20.61%
c. Badrinarayan Agarwal Family Trust In no.s	268,203	268,203
In %	5.46%	5.46%
d. Westend Developers Ltd In no.s	481,000	481,000
In %	9.80%	9.80%
I5 Other Equity:		
A. Securities Premium		
At the beginning and at the end of the period	1,048.61	1,048.61
Closing Balance	1,048.61	1,048.61
B. Capital Redemption Reserve		
At the commencement of the year	8.00	8.00
Closing Balance	8.00	8.00
C. Export Allowance Reserve		
At the commencement of the year	5.50	5.50
Closing Balance	5.50	5.50

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
D. Surplus in Statement of Profit and Loss		
a. At the beginning of the period	(2,719.69)	(2,642.58)
(+) For the current period	150.76	(77.11)
b. Adjustment due to adoption of New IndAS		.
c. At the end of the period	(2,568.93)	(2,719.69)
E. Other Comprehensive Income		
On Actuarial Gain/(loss) on post employment benefits		
a. At the beginning of the period	38.94	1.23
Profit Transferred from the statement of Profit and loss	21.26	37.71
b. loss		
c. At the end of the period	60.20	38.94
F. Equity portion on Interest free unsecured loan from Directors	18.67	18.67
Total	(1,427.95)	(1,599.97)
I6 Borrowings - Non Current:		
A. Term loans-Secured		
a. Andhra Bank -II	213.59	213.59
Less: Current maturities	213.59	213.59
Sub total	-	-
b. Andhra Bank - I	36.26	36.26
Less: Current maturities	36.26	36.26
Sub total	-	-
b. Andhra Bank Corporate Loan	1,042.67	1,041.87
Less: Current maturities	1,042.67	1,041.87
Sub total	-	-
e. Reliance Capital Limited	52.91	50.52
Less: Current maturities	52.91	49.71
Sub total	-	0.81
TOTAL	-	0.81

NOTES:

- I Term Loans referred at (a) to (d) above are secured by mortgage of fixed assets present and future of the company on first charge pari passu basis and guaranteed by two Directors and relatives of directors the Company.

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

Terms of Repayment :

Particulars	Rate of Interest	Quarterly Instalments
a) Andhra Bank -II	15.00%	4
b) Andhra Bank - Corporate Loan	14.75%	2
d) Reliance Capital Limited	16.25%	27 (monthly)

PARTICULARS	As at March 31,2022	As at March 31,2021
B. Unsecured loans		
Unsecured, Considered good		
(a) Liability component of Unsecured Loan from Directors	528.68	501.34
(b) Inter-corporate Deposits	567.06	658.21
Sub total	1,095.74	1,159.55
C. Deferred Sales Tax Liability	40.38	38.30
Sub total	40.38	38.30
Total (A+B+C)	1,136.12	1,198.66
17 Provisions - Non Current:		
Provision for employee benefits		
a. Leave Encashment (unfunded)	1.35	1.23
b. Provision for Gratuity	47.31	71.70
Total	48.66	72.93
18 Other Non Current Liabilities		
a. Deferred Government Grant	15.35	20.15
Total	15.35	20.15
19 Short term borrowings repayable on demand:		
a. Secured		
(i) Andhra Bank		
Cash Credit	771.42	771.42
Packing Credit	230.56	230.56
Adhoc	200.00	200.00
Sub-Total	1,201.98	1,201.98

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
B. Current maturities of long term borrowings		
i). Andhra Bank-I	36.26	36.26
ii). Andhra Bank -II	213.59	213.60
iii). Andhra Bank - Corporate Loan	1,042.67	1,041.87
Less: Repayment of borrowings	1,395.21	845.20
Sub-Total	1,099.31	1,648.51

NOTE:

I. All Working Capital loans are secured by hypothecation of stocks of raw materials, yarn, fabric, stock-in-process, stores and spares and book debts and by a second mortgage over the (present and future) movable & immovable properties of the Company on pari-passu basis and further guaranteed by three Directors of the Company in their personal capacities.

b. Unsecured

a. Reliance Capital Limited	52.92	49.71
Total	1,152.23	1,698.22

20 Trade Payables - Current:

a. Small and Micro enterprises	12.23	15.47
b. Others	1,022.42	1,102.25
Total	1,034.65	1,117.72

20 a) Trade Payables ageing Schedule:

S. No.	Particulars	Outstanding for following Periods from Due date of Payment						Total as at 31st March,2022
		Unbilled dues	Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
(i)	MSME		454,501				768,445	1,222,946
(ii)	Others		61,397,568	9,237,334	5,320,083	16,685,856	10,824,441	103,465,282
(iii)	Disputed dues-MSME							
(iv)	Disputed dues-Others							
	TOTAL	-	61,852,069	9,237,334	5,320,083	16,685,856	11,592,886	104,688,228

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

b) Trade Receivables ageing Schedule:

S. No.	Particulars	Outstanding for following Periods from Due date of Payment						Total as at 31st March,2021
		Unbilled dues	Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
(i)	MSME		876,063				670,682	1,546,745
(ii)	Others		21,616,418	4,969,936	24,818,980	6,299,876	52,520,267	110,225,477
(iii)	Disputed dues-MSME							
(iv)	Disputed dues-Others							
	TOTAL	-	22,492,481	4,969,936	24,818,980	6,299,876	53,190,949	111,772,222

PARTICULARS		As at March 31,2022	As at March 31,2021
21	Other financial liabilities - Current:		
A.	Interest accrued		
a.	Andhra Bank Term Loan	351.45	271.71
b.	Andhra Bank Working Capital Loan		-
	Total	351.45	271.71
22	Other current liabilities:		
a.	Advance from Customers	644.575	155.26
b.	Statutory Dues	38.57	72.93
c.	Other payables	255.60	207.28
	Total	938.75	435.47
23	Provisions - Current:		
A.	Provision for employee benefits		
a.	Provision for Gratuity	5.29	4.63
b.	Salary & Reimbursements	167.51	153.01
c.	Contribution to PF & ESI	43.73	52.35
d.	Bonus Payable	10.51	20.82
e.	Provision for Leave Encashment	0.18	0.10
	Total	227.23	230.91
24	Revenue from Operations:		
A.	Domestic Sales		
a.	Yarn	4909.76	2713.89
b.	Medical Textiles	190.54	572.37
c.	Cotton Waste	17.79	8.30
d.	Job Work Charges Collected	36.03	-
e.	Traded Cotton		976.30

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
B. Export Sales		
a. Medical Textiles	129.94	59.44
Total	5,284.05	4,330.30
25 Other Income:		
A. Interest Income on		
a. Security Deposits	7.18	7.27
b. Bank Deposits	0.01	0.44
B. Other Non-operating Income (Net of Expenses)		
a. Fair value gain on Investments	6.78	8.96
b. Commission Received	49.88	-
c. Discount Received	84.47	-
d. Profit on sale of Assets		
e. Excess Provision /Credit Balance written Back	6.13	27.65
f. Miscellaneous Receipts		-
g. Government Grant Income	4.80	(0.29)
h. Scrap Sales		-
Total	159.25	44.03
26 Cost of Materials Consumed		
Opening Stock	31.07	33.80
Add : Purchases	3246.10	2,147.73
	3,277.17	2,181.53
Less : Value of Raw materials sold	24.02	-
Less : Closing Stock	145.91	31.07
Total	3,107.24	2,150.46
27 Changes in inventories of Stock-In-Trade:		
a. Inventory at the beginning of the period		
Yarn	286.40	98.87
Medical Textiles	15.97	29.12
Stock-in-Process	90.08	52.94
Cotton waste	1.68	0.94
Total	394.13	181.87

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
b. Inventory at the end of the period		
Yarn	149.24	286.40
Medical Textiles	13.27	15.97
Stock-in-Process	221.52	90.08
Cotton waste	8.50	1.67
Total	392.53	394.12
(Increase)/Decrease in Stock	1.60	(212.25)
28 Employee Benefits Expense:		
a. Salaries, Wages and Bonus	645.09	470.57
b. Contribution to Provident Fund	11.63	8.83
c. Staff Welfare Expenses	26.97	13.05
d. Gratuity	14.65	37.71
e. Leave Encashment	1.56	-
f. Contribution to Employee State Insurance	4.62	4.16
Total	704.52	534.32
29 Finance Costs		
a. Interest on Borrowings	79.74	172.44
b. Other Borrowing costs	4.59	2.84
c. Interest on MSME	1.92	0.04
d. Interest on Unsecured loans	64.14	4.29
e. Interest on Sales Tax Deferement	2.08	-
Total	152.47	179.61
30 Depreciation and amortisation expense:		
a. Depreciation on Property ,Plant and Equipment	171.55	173.30
Total	171.55	173.30

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
31 Other expenses:		
A. Power & Fuel		
(i) Electricity Charges	707.46	435.28
B. Stores & spare parts consumption :		
(i) Consumable Stores	268.76	10.77
(ii) Freight & Packing Material Consumed	11.97	44.67
(iii) Consumption Of Fire Wood	-	33.86
C. Payments to the auditor as		
(i) auditor	1.20	1.57
(ii) for taxation matters	0.50	0.13
D. Rent	18.19	22.05
E. Repairs to : Buildings	5.04	5.49
: Machinery	4.56	61.12
: Others	4.86	4.40
F. Insurance	14.03	8.64
G. Rates and taxes, excluding, taxes on income	3.89	11.52
H. Printing and Stationery	0.85	2.31
I. Postage, Telegrams and Telephones	1.67	0.88
J. Travelling and Conveyance	5.28	8.01
K. Directors' Sitting Fees	0.98	0.89
L. Advertisement	0.43	0.55
M. Expenses on Sales	27.55	4.82
N. Legal & Professional Charges	16.79	6.36
O. Vehicle Maintenance	7.61	15.38
P. Bad debts and Debit balance written off	10.08	5.40
Q. Loss on Inventory W/off	-	0.02
R. Loss on Sale of Fixed Assets	0.88	13.42
S. Miscellaneous expenses	30.55	41.29
T. Donations	1.50	2.50
u. Prior period items	9.87	0.12
V. Fair value Loss on Investments	0.65	0.72
		-
Total	1,155.16	742.18

Notes forming part of the financials statement as at 31st March,2022

Amount in Rs. Lakhs

PARTICULARS	As at March 31,2022	As at March 31,2021
32 Other comprehensive income:		
a. Actuarial Gain/(Losses) on Gratuity Expense for the period	21.26	37.71
b. Deferred Taxes on above		-
Total	21.26	37.71
33 Earnings Per Equity Share:		
a. Total Comprehensive Income for the period	172.02	(39.40)
b. Weighted average number of equity shares of Rs. 10/-each	4,908,576	4,908,576
Earnings per equity share (Basic and Diluted) - (a) / (b)	3.50	(0.80)
34. Retirement Benefit Obligations:		
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Defined Contribution Plan (Expenses):		
Contribution to Provident Fund	11.63	8.83
Contribution to Employee State Insurance	4.62	4.16
Contribution to Labour Welfare Fund	-	-
B. Defined Benefit Plans (Gratuity):		
1. Movement in Obligation – Gratuity:		
Present Value of Obligation at the beginning of year	76.33	113.40
Current Service Cost	10.52	15.26
Interest Cost	4.13	7.72
Benefits Paid	(17.10)	(22.34)
Actuarial (Gain)/Loss on Obligation	(21.26)	(37.71)
Present Value of Obligation at the end of year	52.60	76.32
2. Movement in Plan Assets – Gratuity:		
Fair Value of Planned assets at the beginning of the year	-	-
Contributions during the year	22.34	17.10
Benefits Paid during the year	(22.34)	(17.10)
Fair Value of Planned assets at the end of the year	-	-
3. Expenses recognised in Profit and Loss Statement:		
Gratuity: -		
Current Service Cost	15.26	10.52
Net Interest Cost	7.72	4.12
Expense for the year	22.98	14.64
4. Recognised in Other Comprehensive Income:	(37.71)	(21.26)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial (Gain) /loss for the year		
5. Actuarial Assumptions for estimating Company's Defined Benefit Obligation:		
a. Attrition Rate		
Age at valuation date		
18-30 years	4.00%	4.00%
31-40 years	2.00%	2.00%
41 and above years	1.00%	1.00%
b. Discount Rate	6.80%	6.33%
c. Expected Rate of Increase in Salary	5.00%	5.00%
d. Mortality Rate	Indian Assured Lives Mortality 2012-14 Ult.	Indian Assured Lives Mortality 2012-14 Ult.
e. Average Remaining Working Life	9.00 years	12.00 years
f. Decrement Adjusted Future Service	9.36 years	8.47 years

6. Sensitivity Analysis:

Defined Benefit Obligation (Base)			113.40
Sensitivity	Change	Effect on obligations	
Discount Rate	+1%	49.28	
	-1%	(56.31)	
Salary Growth Rate	+1%	56.36	
	-1%	(49.17)	
Attrition Rates	+50%	52.78	
	-50%	(52.24)	
Mortality Rate	+10%	52.61	
	-10%	(52.59)	

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There is no change in the method of valuation for the prior period.

7. Expected Payouts – Undiscounted:

	Amount
Expected payments – 1 st year	4.71
Expected payments – 2 nd to 5 th years	20.55
Expected payments – 6 th to 10 th years	29.75
Expected payments – More than 10 th year	37.00

8. Other Information:

Present value of defined benefit obligation:

Present value of the defined benefit obligation is calculated by using Projected Unit Credit method (PUC Method). Under the PUC method a “projected accrued benefit” is calculated at the beginning of the year and again at the end of the year for each benefit that will accrue for all active members of the Plan. The “projected accrued benefit” is based on the Plan’s accrual formula and upon service as of the beginning or end of the year, but using a member’s final compensation, projected to the age at which the employee is assumed to leave active service. The Plan Liability is the actuarial present value of the “projected accrued benefits” as of the beginning of the year for active members.

35. Income tax expense and Deferred Taxes:

Particulars	For the year ended March 31, 2022	For the year Ended March 31, 2021
Income Tax Expense: -		
a. Current Tax		
- Relating to current year	-	-
- Relating to earlier years	0	117.32
b. Deferred Tax (arising on temporary differences)	-	-
Total Tax Expense for the year	0	117.32

Note: The Company has not recognized Deferred Tax Assets due to lack to reasonable certainty that deferred taxes will be reversed in near future.

Effective Tax Reconciliation: -

a. Net Profit/(Loss) before taxes	150.76	40.21
b. Tax rate applicable to the company as per normal provisions	26%	26%
c. Tax expense on net profit (c = a*b)	39.20	10.45
d. Increase/(decrease) in tax expenses on account of:		
i. Effect of Accelerated Depreciation	(17.56)	24.06
ii. Effect of Income exempt from Tax	-	-
iii. Effect of expenses not deductible in determining taxable profits	13.36	134.91
iv. Effect for deduction for expenses earlier disallowed	(6.03)	(11.45)
v. Other adjustments		
Net Increase/(decrease) in tax expenses	(10.23)	147.52

36. Fair Value of Financial Instruments:

The management assessed that cash and cash equivalents, trade receivables, trade payables, and other current assets and liabilities approximate to their carrying amount largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is reported at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair values of the quoted instruments are based on price quotations at the reporting date. The fair value of unquoted instruments is based on the Net Asset Value provided by the Management as on the date of reporting.

- b. Fair value of Deferred Sales Tax Liability and Unsecured Loans is calculated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Description of significant observable inputs to valuation:

- Deferred Sales Tax Liability and Unsecured Loans:

Interest Rate factor has been considered at a rate currently available for debt on similar terms, by the company for discounting the amount receivable at the time of maturity.

The carrying amount of all financial assets and liabilities (except for those instruments carried at fair value) appearing in the financial statements is reasonable approximation of fair values.

Particulars	Carrying Value		Fair value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Financial Assets				
At Fair value through profit & Loss				
Investments in Equity Instruments	3.47	3.47	20.01	13.89
At Amortised cost				
Loans	174.88	174.88	174.88	174.88
Trade receivables	235.64	315.21	235.64	315.21
Cash and Bank Balances	24.95	154.91	24.95	154.91
Other Financial assets	1.24	7.97	1.24	7.97
Total Financial Assets	440.18	656.44	456.72	666.86
Financial Liabilities				
At Amortised cost				
Borrowings	2183.41	2794.84	2288.33	2896.88
Trade Payables	1034.65	1117.72	1034.65	1117.72
Other Financial liabilities	351.44	271.71	351.44	271.71
Total Financial liabilities	3569.50	4184.27	3674.42	4286.31

37. Fair Value hierarchy:

The following table provides the fair value measurement hierarchy of the company's financial assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2022:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level - 1)	Significant observable inputs (Level - 2)	Significant unobservable inputs (Level- 3)
Financial Assets:				
Designated at Fair Value through profit or loss:				
Investments in quoted Equity instruments	20.01	20.01	-	-
Designated at Amortised Cost:				

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level – 1)	Significant observable inputs (Level – 2)	Significant unobservable inputs (Level- 3)
Loans	174.88	-	-	174.88
Trade Receivables	235.64	-	-	235.64
Cash and Bank Balances	24.95	-	-	24.95
Other Financial Assets	1.24	-	-	1.24
Financial Liabilities:				
Designated at Amortised Cost:				
Borrowings	2288.33	-	-	2288.33
Trade Payables	1034.65	-	-	1034.65
Other Financial liabilities	351.44	-	-	351.44

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2021:

Particulars	Total Value	Fair Value measurement using		
		Quoted prices in active markets (Level – 1)	Significant observable inputs (Level – 2)	Significant unobservable inputs (Level- 3)
Financial Assets:				
Designated at Fair Value through profit or loss:				
Investments in quoted Equity instruments	13.88	13.88	-	-
Designated at Amortised Cost:				
Loans	174.88	-	-	174.88
Trade Receivables	315.21	-	-	315.21
Cash and Bank Balances	154.91	-	-	154.91
Other Financial Assets	7.97	-	-	7.97
Financial Liabilities:				
Designated at Amortised Cost:				
Borrowings	2896.88	-	-	2896.88
Trade Payables	1117.72	-	-	1117.72
Other Financial liabilities	271.71	-	-	271.71

38. Related Party Transactions:

During the year under reference the Company has entered following transactions with Related Parties:

Names of the Related parties and description of relationship:

i) **Key Management Personnel**

Name of the Key Management Personnel	Description of Relationship
Sri R.K.Agarwal	Managing Director

ii) **Relatives of Key Management Personnel**

Name of the relative of Key Management Personnel	Description of Relationship
Smt Narmada Agarwal	Mother of Sri R.K. Agarwal
Smt. Yamuna Agarwal	Wife of Sri R.K. Agarwal
Smt. Rishikesh Agarwal	Son of Sri R.K.Agarwal

iii) Enterprises over which the Shareholders of the Company, KMP/relatives of KMP exercise Control or significant influence:

1. M/S. Aananda Lakshmi Spinning Mills Limited
2. M/S. Sheshadri Industries Limited
3. M/S. Suryavanshi Integrated Apparel Park Limited
4. M/s. Innovative Interiors
5. M/s. Rishikesh Yarns
6. M/s. Sheshadri Power and Infrastructure Pvt.Ltd

Note: The details of related parties with whom the company has entered into transactions during the reporting periods have been disclosed.

a) **Transactions with Enterprises over which the Shareholders of the Company, KMP/relatives of KMP exercise Control or significant influence:**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Purchase of Raw materials and spares		
M/s. Rishikesh Yarns	3705.26	910.11
iii) Interest on Unsecured Loan from Related Parties		
M/s. Sheshadri Power & Infrastructure Pvt.Ltd	9.29	7.99
iv) Sale of Machinery		
M/s.Suryavanshi industries Ltd	0.10	
iv) Purchase of Spares and Machinery		
M/s. Aananda Lakshmi Spinning Mills Ltd	-	46.90
M/S. Innovative Interiors	0.22	

b) Transactions with Key Managerial Personnel

(i) Remuneration to Key Managerial Personnel

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Short-term Benefits	Post-employment benefits	Short-term Benefits	Post-employment benefits
Sri R.K.Agarwal	-	-	-	-

(ii) Unsecured loan Received (Net of Repayments)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sri R.K.Agarwal	3.90	1.49

(iv) Interest on Unsecured loans

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sri R.K.Agarwal	-	4.29

c) Transactions with relatives of Key Managerial Personnel

i) Purchase of Services

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Mr. Prateek Agarwal	16.37	22.04

d) Unsecured Loan Transactions with Related Parties

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
M/s. Sheshadri Power and Infrastructure Private Limited	Payments : 318.59 Receipts : 250.00	Payments : - Receipts : -
M/s. Sheshadri Industries Limited	Payments : 74.00 Receipts : -	Payments : - Receipts : -
M/s. Aanada Lakshmi Spinning Mills Limited	Payments : 104.00 Receipts : 101.25	Payments : - Receipts : -

e) Advance Received from Related Parties

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
M/s. Innovative Interiors	370.00	-

Outstanding balances at the year end

Particulars	As at March 31, 2022	As at March 31, 2021
a. Amounts due from related parties		
(i) Sale of raw materials		
M/S. Aananda Lakshmi Spinning Mills Limited	148.13	105.84
M/S. Sheshadri Industries Limited	105.01	65.35
(ii) Investments		
M/S. Suryavanshi Integrated Apparel Park Limited – Investment	0.90	0.90
b. Amounts due to related parties		
(i) Unsecured Loan		
M/s. Suryalakshmi Cotton Mills Limited	31.89	29.83
Smt. Narmada Agarwal	13.15	13.15
Sri R.K.Agarwal	392.58	362.38
M/s. Sheshadri Power and Infrastructure Pvt Ltd	51.11	
(ii) Purchase of Raw Material, Stores and Spares		
M/s. Rishikesh Yarn	(607.04)	(359.21)

39. Financial Risk Management objectives and policies:

The company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, market risk, credit risk and liquidity risk. The company's risk management policies focus on the unpredictability of financial markets and seek to, where appropriate, minimize potential and guidelines and there has been no change to the company's exposure to these financial risks or the manner in which it manages and measures the risks or the manner in which it manages and measures the risks.

The following sections provide the details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for the management of these risks.

i. Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk. Financial instruments affected by market risk include Borrowings, loans and advances, deposits and other equity funds.

a. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the Company and the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from the Company's long-term debt obligations, advances, security deposits and cash and cash equivalents.

The company's policy is to manage its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings

ii. Credit risk:

Credit risk is the risk of loss that may arise on outstanding financial instruments when counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposit), the Company minimizes the credit risk by dealing exclusively with high credit rating counterparties. The Company's objective is to seek

continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Company trades only with recognised and creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

In addition, Outstanding customer receivables are regularly monitored and any credits to new customers are generally covered by appropriate security in the form of deposits.

a. Exposure to credit risk:

At the end of the reporting period, the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognized in the statement of financial position. No other financial assets carry a significant exposure to credit risk.

b. Credit risk concentration profile:

At the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposures to credit risk in relation to each class of recognised financial assets is represented by the carrying amount of each financial assets as indicated in the balance sheet.

c. Financial assets that are neither past due nor impaired:

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Company. Cash and short-term deposits, investment securities that are neither past due nor impaired are placed with or entered with reputable banks, financial institutions or companies with high credit ratings and no history of default.

d. Financial assets that are either past due or impaired:

Trade receivables that are past due or impaired at the end of the reporting period, for which life time expected credit loss has been provided by the company according to its policy. These are shown in the balance sheet at carrying value less impairment/expected credit loss.

iii. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The company ensures that it has sufficient cash on demand to meet expected operational demands, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments which are payable within 12 months.

	Less than 12 months	1 to 3 years	More than 3 years	Total
As at March 31, 2022				
Borrowings	103.26	2080.15		2183.41
Trade Payables	47.23	369.47	617.95	1034.65
Other Financial Liabilities	79.74	271.71		271.71
As at March 31, 2021				
Borrowings	103.26	2691.58		2794.84
Trade Payables	87.23	412.54	617.95	1117.72
Other Financial Liabilities	118.25	153.45		271.71

40. Capital Management:

Particulars	As at	
	March 31, 2022	March 31, 2021
Total Borrowings #	2288.33	2896.88
Net Debt		
Equity	491.08	491.08
Other Equity*	(1427.95)	(1599.98)
Total Equity	(936.87)	(1108.89)
Debt/Equity ratio	(2.44)	(2.61)

Total Borrowings includes Long-term and short-term borrowings, Loans from related parties, Deferred Sales Tax Liability and Cash and packing credits.

* Other Equity includes securities premium, capital redemption reserve, export allowance, equity portion of unsecured loans.

41. Contingencies and Commitments:

Particulars	As at	
	March 31, 2022	March 31, 2021
Contingent Liabilities		
a. Against Foreign Bills Discounted	-	-
b. Demand from Sales Tax Department, Andhra Pradesh in connection with levy of purchase tax on polyster staple fiber from Reliance Industries Limited, levy of tax on work contract receipts and withdrawal of deferment availed by the company for the year 2001-02. AP. Sales Tax Appellate Tribunal set aside the order passed by the Sales Tax Authorities. The Department has challenged the said order before the Hon'ble High Court of AP and the same is pending.	23.51	23.51
c. The company has paid liability u/s 115JB of the income tax act, 1961 as per the scheme of demerger under Direct Tax vivad se vishwas scheme of Income tax department. However the company is yet receive no dues certificate i.e. form 5 to be issued by The department.	-	-
Commitments		
a. Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	-	-

42. Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

Particulars	As at		As at	
	March 31, 2022		March 31, 2021	
	Principal	Interest	Principal	Interest
Amount due to vendor*	12.22	1.92	15.46	3.13
Principal amount paid (includes unpaid) beyond appointed date	-	-	-	-
Interest due and payable for the year	-	-	-	-
Interest accrued and remaining unpaid	-	-	-	-

- * The information with regard to Micro, Small and Medium Enterprises has been determined to the extent such parties could be identified on the basis of the information available with the company. The above-mentioned amount is due to them for a period exceeding 45 days and the company has not provided any interest for the delay in payments as the company is in the process of settling the dues with the parties amicably.
43. The Company's business activity falls within a single business segment i.e. Textile products, in terms of IND AS 108 on operating segments.
44. The Company has recorded a net Profit of Rs. 150.76 lakhs for the year ended 31st March, 2022 and has accumulated losses of Rs. 2568.94 Lakhs as at 31st March, 2022. Resulting in complete erosion of net worth and current liabilities exceed current assets by Rs. 2429.00 Lakhs. Further, there were no lower cash inflows from the existing business activities.
45. The Company has paid the balance amount including proposed interest by the bank under OTS Scheme to union bank of India i.e. Rs. 1028.99 Lakhs and received No dues certificate.
46. The company could not obtain confirmation of balances as at 31st March, 2021 in respect of trade receivables and trade payables and the Company hopes that they would be collected and paid.
47. Previous year figures have been regrouped where ever necessary to confirm current year classification.

As per our report of even date
for K.S. Rao & Co.,
Chartered Accountants
Firm Registration Number: 003109S

for and on behalf of the Board of Directors of
Suryavanshi Spinning Mills Limited

M.Naga Prasadu
Partner
Membership No:231388

R.K. Agarwal
Managing Director

Manish Guptha
Director

Place : Hyderabad
Date : 24th May, 2022

Notes forming part of the financials statement as at 31st March, 2022

46 Financial Ratios

Particulars	Numerator	Denominator	As at 31st March, 2022			As at 31st March, 2021			Variance %
			Numerator	Denominator	Ratios	Numerator	Denominator	Ratios	
Current Ratio (no. of times)	Current Assets	Current Liabilities	1,275.30	3,704.28	0.344	1,217.80	3,754.03	0.32	6.13%
Debit Equity Ratio (no. of times)	Total Debt	Shareholders' Equity	2,211.68	(936.86)	(2.361)	2,857.77	(1,108.89)	(2.58)	-6.90%
Debt Service Coverage Ratio (no. of times)	Earnings available for debt service	Debt Service	475.66	1,395.21	0.341	289.22	845.20	0.342	-0.37%
Return on Equity Ratio (%)	Net Profits after Taxes	Average Shareholders' equity	150.76	(1,022.87)	(0.15)	(77.11)	(18.92)	4.07	-96.38%
Inventory Turnover Ratio (no. of times)	Cost of goods sold (or) sales	Average Inventory	3,108.84	537.50	5.78	1,938.21	365.71	5.30	9.13%
Trade Receivables Turnover Ratio (no. of times)	Net Credit Sales	Average trade Receivables	5,284.05	275.42	19.19	4,330.30	308.85	14.02	36.83%
Trade Payables Turnover Ratio (no. of times)	Net Credit Purchases	Average trade Payables	3246.10	1076.19	3.02	2,147.73	710.105	3.02	-0.27%
Net Capital Turnover Ratio (no. of times)	Net Sales	Working Capital	5,284.05	(2,428.99)	(2.18)	4,330.30	(2,536.23)	(1.71)	27.41%
Net Profit Ratio (%)	Net Profits after Taxes	Net Sales	150.76	5,284.05	0.03	(77.11)	4,330.30	(0.02)	-250%
Return on Capital employed (%)	Earning before Interest and Taxes	Capital Employed	303.23	1,379.08	0.22	219.82	1,880.94	0.12	83.32%
Return on Investment (ROI) (%)	Difference in market value adjusted with net cash flows to equity	Opening market value and sum of (Net cash flow from Equity X Weight of the net cash flow)	6.14	13.88	0.44	8.24	5.64	1.46	-69.75%

- a) Net Capital Turnover ratio: Sales Increased substantially this resulted in variation in the Ratio as above
- b) Net Profit Ratio: Increase in revenue from operations and profit margin has to let improve net profit Ratio during the current reporting period.
- c) Return on Capital employed: Substantial increase in Profit margin during the current reporting period has led to improve the Return on Capital Employed
- d) Return on Equity Ratio: Profit Increased substantially this resulted in variation in the Ratio as above
- e) Trade Receivable TO Ratio: Sales Increased substantially this resulted in variation in the Ratio as above
- e) Return on Investment (ROI): Market Value decreased substantially this resulted in variation in the Ratio as above

SURYAVANSHI SPINNING MILLS LIMITED

CIN: L14220TG1978PLC002390

Registered Office: 6th Floor, Surya Towers, 105, Sardar Patel Road, Secunderabad – 500003, Telangana, India

Phone: 91-40-27843333

Website: www.suryavanshi.com, Email: info@suryavanshi.com

FORM No. MGT-12: POLLING PAPER

(Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014)

BALLOT PAPER

Name of the first named shareholder (in Block letters)	
Postal Address	
Registered Folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
Class of shares	Equity

I hereby exercise my vote in respect of the ordinary/ special resolutions for the business enumerated below and as stated in the Notice of 43rd Annual General Meeting of the Company to be held on **Friday, the 30th day of September 2022 at 9.30 AM** by recording my/ assent or dissent to the said resolution by placing tick (√) at the appropriate box below:

S. No.	Particulars	No. of shares held by me	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
	Ordinary Business			
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March, 2022 and the Reports of the Directors and Auditors thereon.			
2	To appoint a director in place of Mr. Rajender Kumar Agarwal, (DIN: 00041892) who retires by rotation and, being eligible, offers himself for reappointment			
3	To re-appoint M/s. K.S. Rao & Co., Chartered Accountants (FRN: 003109S) as the Statutory Auditors for a period of five years from the conclusion of this 43 rd Annual General Meeting till the conclusion of the 48 th Annual General Meeting and to fix their remuneration:			
	Special Business			
4	To approve the re-appointment of Mr. Rajender Kumar Agarwal, (DIN: 00041892) as Managing Director of the Company			
5	To fix and approve the remuneration payable to Mr. Rajender Kumar Agarwal, as Managing Director			

S. No.	Particulars	No. of shares held by me	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
6	To Approve the Related Party Transaction for Sale of Land with Innovative Interiors			
7	To Approve the Related Party Transaction for Sale of Land with Sheshadri Industries Limited			

Place: Secunderabad

Date: August 13, 2022

Signature of the member

43rd Annual General Meeting

SURYAVANSHI SPINNING MILLS LIMITED

Registered Office: 6th Floor, Surya Towers, 105,
S.P.Road, Secunderabad – 500003, Telangana, India

Phone: 91-40-30512700, Fax: 91-40-30512725

Website: www.suryavanshi.com, Email: info@suryavanshi.com

CIN: L14220TG1978PLC002390

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND OVER AT
THE ENTRANCE OF THE MEETING HALL.

I / We hereby record my / our presence at the 43rdAnnual General Meeting of the Suryavanshi Spinning Mills Limited held on **Friday, the 30th day of September 2022 at 9.30 AM at Incredible One Hotel, 1-2-40, 41 & 43, Park Lane, Sandhu Apartment, Kalasiguda, Secunderabad-500003, Telangana, India**

For Physical Holding	For Electronic Form (Demat) NSDL / CDSL		No. of shares
Folio No.	DP ID	CLIENT ID	
NAME OF THE MEMBER / JOINT MEMBER(S) (IN BLOCK CAPITALS):			

Signature of the member/ Joint member(s) / proxy

43rd Annual General Meeting

SURYAVANSHI SPINNING MILLS LIMITED

Registered Office: 6th Floor, Surya Towers, 105,
S.P.Road, Secunderabad – 500003, Telangana, India

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CIN: L14220TG1978PLC002390

PROXY FORM

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

Name of the member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being the member(s) of shares of the above named company, hereby appoint

1.	Name	:	
	Address	:	
	Email ID	:	
	Signature :		or failing him

2.	Name	:	
	Address	:	
	Email ID	:	
	Signature :		or failing him

3.	Name	:	
	Address	:	
	Email ID	:	
	Signature	:	

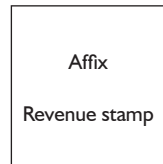
as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the Company, to be held on **Friday, the 30th day of September 2022 at 9.30 AM at Incredible One Hotel, 1-2-40, 41 &**

43, Park Lane, Sandhu Apartment, Kalasiguda, Secunderabad-500003, Telangana, India or at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Particulars	FOR	AGAINST
	Ordinary Business		
1	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March, 2022 and the Reports of the Directors and Auditors thereon.		
2	To appoint a director in place of Mr. Rajender Kumar Agarwal, (DIN: 00041892) who retires by rotation and, being eligible, offers himself for reappointment		
3	To re-appoint M/s. K.S. Rao & Co., Chartered Accountants (FRN: 003109S) as the Statutory Auditors for a period of five years from the conclusion of this 43 rd Annual General Meeting till the conclusion of the 48 th Annual General Meeting and to fix their remuneration:		
	Special Business		
4	To approve the re-appointment of Mr. Rajender Kumar Agarwal, (DIN: 00041892) as Managing Director of the Company		
5	To fix and approve the remuneration payable to Mr. Rajender Kumar Agarwal, as Managing Director		
6	To Approve the Related Party Transaction for Sale of Land with Innovative Interiors		
7	To Approve the Related Party Transaction for Sale of Land with Sheshadri Industries Limited		

Signed this _____ day of _____ 2022

Signature of Shareholder



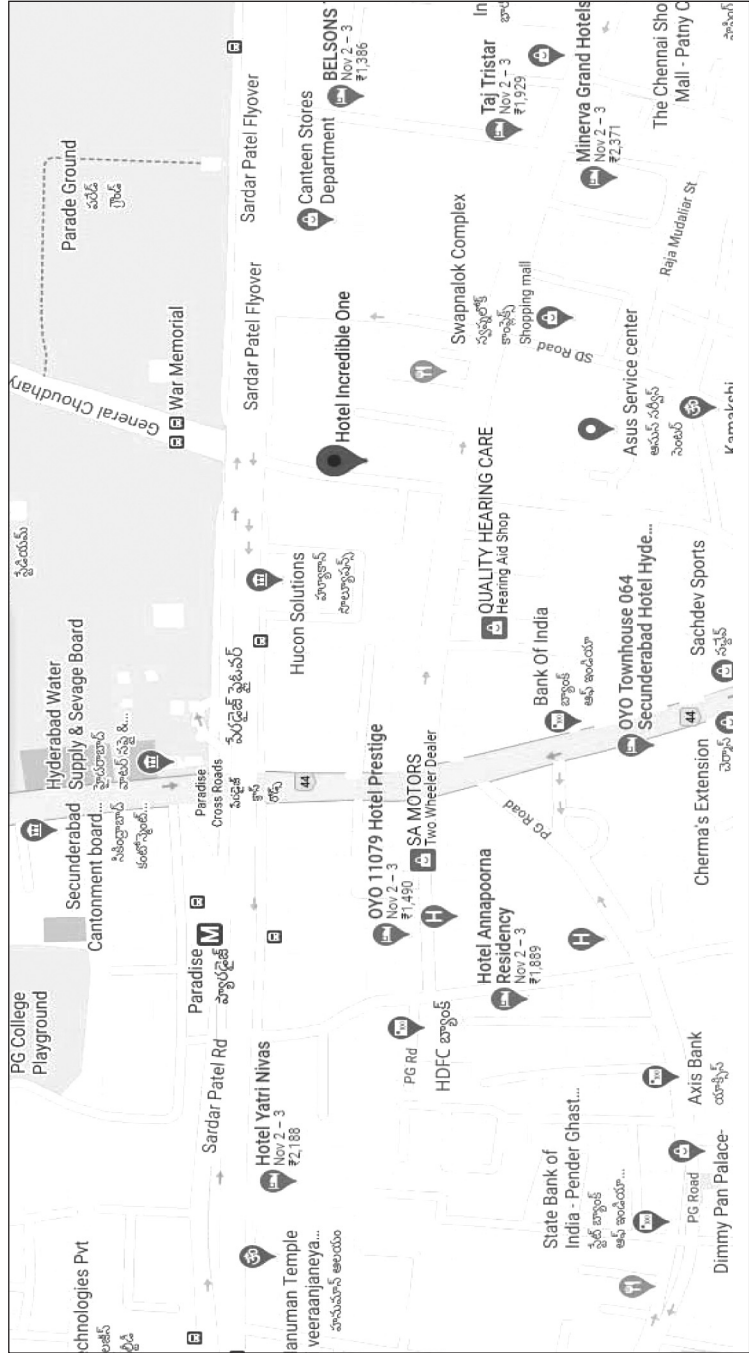
Signature of Proxyholder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP

FOR THE VENUE OF 43rd ANNUAL GENERAL MEETING:

I-2-40, 41 & 43, Park Lane, Sandhu Apartment, Kalasiguda, Secunderabad, Telangana 500003, India





Registered Office

Surya Towers, 105, Sardar Patel Road

Secunderabad – 500 003, Telangana

Website: www.suryavanshi.com

Email: info@suryavanshi.com

CIN: L14220TG1978PLC002390

Phone: 91-40-27843333