FIL/SE/2024-25/28
3rd September, 2024

National Stock Exchange of India Limited	BSE Limited
Listing Department	Listing Department
5th Floor, Exchange Plaza, C-1, Block-G,	25th Floor, Pheroze Jeejeebhoy Towers
Bandra-Kurla Complex, Bandra (E)	Dalal Street,
Mumbai-400 051	Mumbai - 400 001
Security Symbol: **FILATEX**	Security Code: **526227**

Sub.: Annual Report for the Financial Year 2023-24

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule III of the said Regulations, please find enclosed herewith Annual Report for the Financial Year ending 31st March 2024 containing Directors' Report alongwith its Annexures, Management Discussion & Analysis Report and Business Responsibility and Sustainability Report, etc. forming part of the said Annual Report.

This is for your information & record please.

Thanking You,

Yours Faithfully,
For FILATEX INDIA LIMITED

RAMAN KUMAR JHA
Digitally signed by RAMAN KUMAR JHA Date: 2024.09.03 14:18:42 +05'30'

Ramu

RAMAN KUMAR JHA
COMPANY SECRETARY

Encl.: a/a

Annual Report
2023-2024

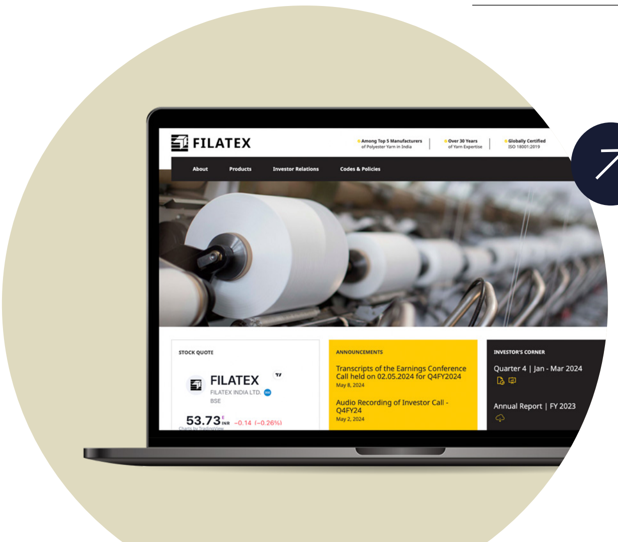
Consolidating for the Future

Filatex India Limited

FILATEX

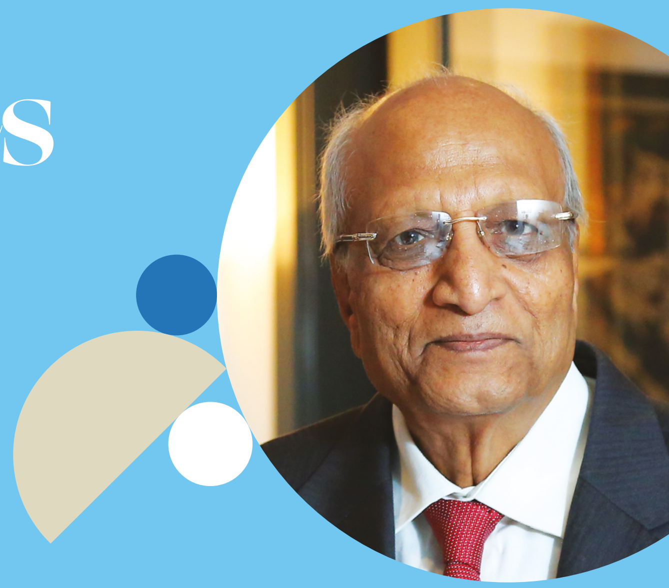
Consolidating for the Future

As we navigate the complexities of an ever-evolving global landscape, Filatex India Limited stands resilient and ready. Over the past few years, we have faced numerous macroeconomic challenges and geopolitical uncertainties. Despite these headwinds, we have remained steadfast in our commitment to strengthening our business model. Our focus on consolidation has fortified our foundations, enabling us to build a robust and agile organisation. This strategic consolidation is not just about weathering the storm; it is about preparing for a brighter, more prosperous future. We are now poised to embark on the next phase of growth, equipped with enhanced capabilities and a renewed vision. Together, we are consolidating for the future, ready to seize new opportunities and achieve greater heights.



Read more about our company initiatives on **www.filatex.com**

"His ethics and principles continue to inspire us...



Sh.Ram Avtar Bhageria
Founder Chairman, (1934-2017)

In remembrance of our founding father

A man who made sure everything he did was consistent with his morals, principles and goals

A man who always stood on principles, even if he stood alone

A man who led by examples that had an impact on his people

A man who did not do different things but did things differently

A man to whom "Every problem was an opportunity in disguise"

A meticulous planner who believed that "Delay is preferable to error"

Forward looking Statement

This document contains statements about expected future events, financial and operating results of Filatex India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward- looking statements.

About the Company

Empowering India's Textile Industry Growth

Filatex India Limited is today among the country's leading manufacturers of Polyester Filament Yarn. With a foray into manufacturing in 1994 with monofilament yarn, today the company fulfils emerging garment needs of millions contributing to India's developing textile industry.

2500+
Team members embracing culture of integrity and delivering value

AA- & A1+
Latest long term & short term Credit Rating

We manufacture polyester and polypropylene multifilament yarn and polyester chips at our two production facilities. One at Dadra & Nagar Haveli and the second one at Dahej, equipped with state-of-the-art process technology.

We remain focused on capitalising synergies created through our integrated business model. Our business canvas has been carefully curated, keeping in mind the competitive business environment.

Guided by strong leadership, we are focused on increasing capacities, widening our reach, maximizing our efficiency, allocating capital effectively, and ensuring sustainability. We firmly believe that our diligent planning and strong execution capabilities set us apart.

From our day to day operation to our long-term strategic vision, our differentiator has always been our focus on better execution. These execution capabilities manifest in numerous forms, including quality enhancements that we undertake, sustainability practices that we implement, and the social activities that we contribute to.

Initially, Filatex started with a small capacity of 500 TPA in 1994 which today has increased to over 4,00,000 TPA.

Our Values

1. Integrity and honesty in business
2. Customer satisfaction and delight
3. Protect the environment and community
4. Encourage creativity and innovation to maximise the potential of our people and processes
5. Promote healthy and safe work practices

Our Mission

1. To consistently manufacture and deliver products of the utmost quality to our customers
2. To maintain an edge over our competitors through consistent product quality and competitive operating costs
3. To encourage people's ownership, empowerment and working under team structure
4. To attain the highest level of trust, integrity and honesty in business

Our Vision

To be one of the leading polyester yarn manufacturers, producing products meeting international standards and being customer focused through stringent quality assurance, sustainable processes and continuous research and innovation.

Core Guiding Principles

Product Portfolio

1. Faster drying
2. Affordable pricing
3. Highly durable
4. Easy wash ability
5. High colour retention
6. Abrasion and mildew resistant
7. Wrinkle resistant
8. Blends with other fibres

Polyester - The Go-To Fiber

Polyester is the most widely used fibre worldwide. With an annual production of around 63 million tonnes, polyester had a market share of approximately 54% of global fibre production in 2021.

The global textile industry's reliance on polyester fiber has increased exponentially due to its versatile properties, cost-effectiveness, and durability. It is an integral component of numerous apparel items ranging from casual clothing to high-performance athletic wear.

Filatex has focused its future growth plans on polyester filament yarns and is well-positioned to capture this opportunity.

The Preferred Fibre

Polyester

PET Chips (Textile grade)
Produced by granulizing polyester formed in a polycondensation reaction of purified terephthalic acid (PTA) and mono-ethylene glycol (MEG). Chips are manufactured for textile applications and are supplied to the yarn-producing industry in semi-dull and bright luster. Textile grade PET Chips are used for making Polyester Filament yarn like POY, FDY and Staple fibre, which is used widely in the Textile industry.

Partially Oriented Yarn (POY)
Produced from the melting and extrusion of the polyester chip or melt. During the spinning process, the filaments are stretched or drawn as much as five times their original size to orient the polymer to meet the desired evenness, strength, shrinkage and elongation properties. The term partially oriented yarn refers to multi-filament that is only partially stretched. POY has to be texturised to make textured yarn and can also be used in draw warping for weaving and warp knitting of fabrics.

Drawn Textured Yarn (DTY)
Produced by drawing and heating POY through a texturing process. It is used for manufacturing fabrics. Polyester DTY yarn is a continuous filament yarn that has been processed to add durable crimps, twists, interlaces, loops or other fne distortions along the lengths of the filament. Polyester DTY yarn can also be obtained in various colors through the dope dyed technology or through conventional dyeing. DTY is used for fabric end uses like outer and inner garments, skin-clinging garments, furnishings, upholstery etc.

Polypropylene Yarn (PPY)
A lightweight yarn which can be made into POY, FDY and DTY. PPY has low moistening characteristics which make it very easy to clean. Due to lower specific gravity of PPY under the same weight conditions, one gets more length of PP yarns compared to Nylon or Polyester yarns. PPY is used in the stitching of socks, undergarments, sports wear, woven sacks, geo textiles, sofa sets, safety belts, sewing thread and rope.

Full Drawn Yarn (FDY)
Produced by a process similar to POY except that the yarn is produced at higher spinning speeds and drawn fully. FDY is mainly used as weft or weaves in making fabrics. FDY can be used with any other filament yarn to get fabric of different varieties. Fully drawn polyester filament yarn is directly used for producing all kinds of fabrics especially for children and ladies.

Air Textured Yarn (ATY)
Produced by using a mechanical method, where cold compressed air stream is used to produce bulked yarns of low extensibility. In this technology, a very wide variety of feed yarns can be used. The end product Is used to make automotive products, furnishing fabrics, sewing threads, shirting and blouses, shoelaces and tarpaulins.

Narrow Woven Fabric (NWF)
Narrow fabrics are non-elastic woven textiles with a width of 12 inches or less and a woven selvage on either side. NWF comes in different varieties such as satin cord, fancy cord and tape, all types of zipper tapes, mattress tape, leashes, elastic tape, ribbon, plain and fancy belts. NWF was initially used in the garment industry for hats, corsets and lingerie, and in military uniforms as well.

1. Apparel
2. Women Wear and Inner Wear
3. Home Textiles Furnishings
4. Athleisure Outerwear
5. Industrial
6. Healthcare Medtech

Read more on next page

Product Portfolio (Continued)

Impacting Daily Lives

Polyester fibre is a versatile material extensively used in the apparel industry. It finds applications in women's wear, innerwear, home textiles, furnishings, athleisure, and outerwear. Its durability and adaptability make it a preferred choice for various textile products, including industrial and healthcare applications.

1 Apparel

Polyester's widespread use in clothing and apparel can be attributed to its unique combination of characteristics that make it suitable for various applications.

Polyester is commonly used in everyday clothing like shirts, trousers, dresses, and jackets. Its wrinkle-resistant property ensures that garments maintain a crisp appearance, while its durability ensures longevity. Its easy to maintain property along with low water consumption makes polyester a popular choice.

The ability to mimic luxurious fabrics such as silk allows polyester to be used in formal wear. With the right treatment, polyester can take on a glossy sheen and smooth texture, making it suitable for suits, blouses, and evening gowns.

2 Women Wear and Inner Wear

Polyester is widely used in women's wear such as dresses, blouses, skirts, and jackets.

It offers a unique blend of durability, elasticity, and resistance to wrinkles, making garments easy to care for and long-lasting. Polyester can be woven or knit to mimic various textures, such as silk or cotton, providing a range of aesthetic choices for designers. Its adaptability to different dyeing and printing techniques also offers endless design possibilities, making it a favorite in women's fashion.

In the inner wear segment, polyester's attributes like moisture-wicking, quick-drying, and flexibility are highly valued.

3 Home Textiles, Furnishings

The use of polyester in home textiles is vast and varied, catering to functional needs while offering aesthetic versatility.

Its adaptable nature has allowed it to become a fundamental material in contemporary home décor and furnishing. Whether in the form of a luxurious curtain, a stain-free carpet, or a cozy comforter, polyester's presence in the home is both essential and transformative. Polyester is widely used in the upholstery of sofas, chairs, and other furniture. It offers a strong, durable, and stain-resistant fabric that can withstand daily wear and tear.

4 Athleisure Outerwear

In the realm of sportswear and activewear, polyester's moisture-wicking ability is highly valued.

This quality enables the fabric to draw sweat away from the skin, keeping the wearer dry and comfortable during physical activities. Its elasticity ensures a snug fit, enhancing performance.Polyester's resistance to weather conditions makes it suitable for outerwear like coats and jackets. It offers a degree of waterproofing and wind resistance, making it a popular choice for outdoor garments.

5 Industrial

Polyester's utilization in the industrial sector is multifaceted, stemming from its unique properties such as strength, chemical resistance, and adaptability.

Its applications range from filtration systems in water treatment and air purification to reinforcement materials in automotive and construction. Polyester's strength and durability makes it suitable for ropes, conveyor belts, and packaging, while its specialized properties allow for use in electrical insulation, medical devices, and renewable energy components. Whether in everyday industrial products or specialized equipment, polyester's presence across various industries is a testament to its indispensable role in modern manufacturing and technology.

6 Healt hcare, Medtech

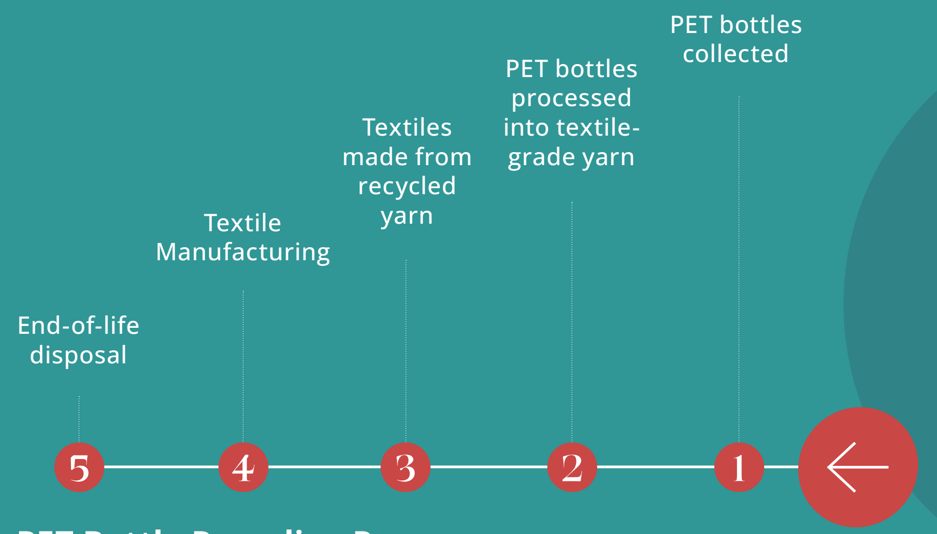
Polyester filament yarn (PFY) plays a vital role in the healthcare sector, meeting diverse needs due to its high tensile strength, flexibility, and biocompatibility.

Its applications are extensive, including the production of surgical sutures, wound dressings, medical textiles, and implantable devices like vascular grafts. PFY's ability to be treated with antimicrobial agents and tailored for specific requirements makes it suitable for critical medical applications such as surgical meshes, orthopedic supports, and medical filters. Furthermore, PFY's adaptability extends to healthcare interiors, where it contributes to hygiene standards through curtains and upholstery that can withstand rigorous cleaning. The use of polyester filament yarn in healthcare not only aligns with the rigorous demands of medical environments but also fosters innovation in patient care.

Product Portfolio (Continued)

Ecosis Pioneering Circular Textile Recycling

Every year, millions of tons of textiles end up in landfills or are incinerated, contributing significantly to environmental pollution. The fashion industry, one of the largest polluters, faces a daunting challenge in managing textile waste. Traditional recycling methods, primarily focused on PET bottle recycling, fail to offer a sustainable solution as these textiles cannot be recycled again, leading to a linear waste stream.



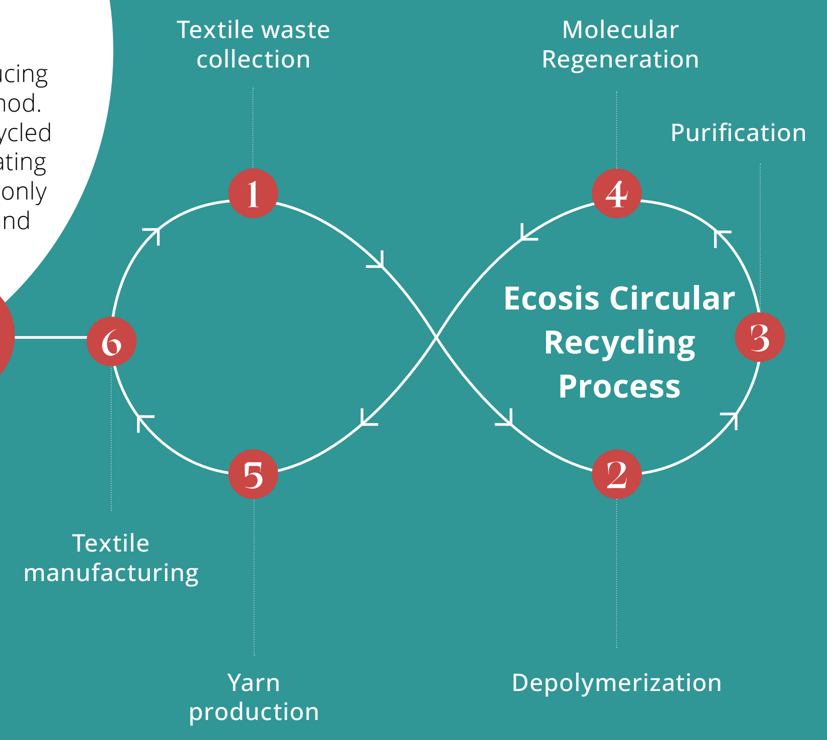
PET Bottle Recycling Process

Current Problems

Traditional recycling methods, such as converting PET bottles into textiles, only delay the inevitable disposal of these materials. Once recycled into textile-grade yarn, these materials cannot be recycled again, creating a one-way trip to the landfill.

Ecosis Technology The First Circular Textile Recycling Solution

Ecosis revolutionises textile recycling by introducing the first circular textile-to-textile recycling method. This innovative process allows textiles to be recycled back into new textiles, closing the loop and creating a true circular economy. This advancement not only reduces waste but also conserves resources and minimizes environmental impact.



Timeline for Ecosis Project

2019
Began lab research on PET waste and Yarn Waste recycling.

2020
Recognized as a R&D centre by DSIR Government of India (GOI);
Developed a capacity of 5.0 kg waste deploy and polymerization trials;
Enhanced polymer quality and yarn spinning success.

2021
Increased deploly by 5X to 25 kg batch size;
Filed first patent application.

2022
Commissioned a 1 MT/day capacity pilot plant;
Granted and Published Indian patent.

2023
Refined recycling processes for post and pre consumer textile waste

2024
Continuous color removal trials using different solvents;
Optimizing pilot plant processes for better yield;
Conceptualising and designing a commercial plant.

2025
Setup and erection of a greenfield commercial plant.

Early 2026
Expected Target to commission the first commercial plant in Dahej, Gujarat.

From the Chairman's Desk

Navigating Challenges with Resilience

"In a dynamic and ever-evolving business landscape, we have managed to navigate through various challenges that impacted our industry. There is marginal improvement in operating profit and net profit. The margins remain under acute pressure despite good capacity utilisation and sales volumes.

Madhu Sudhan Bhageria
Chairman & Managing Director

Dear Shareholders

It is my privilege to present the Annual Report for the financial year 2023-2024. In line with our vision of responsible growth, this report provides a comprehensive overview of our business operations, financial performance, our strategic approach to corporate governance and sustainability initiatives.

Let me mention the financial performance numbers briefly with a comparison to previous year.

Your company in the FY '24 achieved a revenue of ₹4,285.90 Crores In FY '23, the revenue was ₹4,303.87 Crores. Year on year basis the operating earning EBITDA was ₹239.15 Crores against ₹231.98 Crores. The profit before tax PBT was ₹150.43 Crores against ₹122.08 Crores. Net profit at ₹110.66 Crores against ₹89.90 Crores. Production is 4,05,603 metric tons against 3,80,000 metric tons and sales 4,01,052 metric tons against 3,82,000 metric tons.

In a dynamic and ever-evolving business landscape , we have managed to navigate through various challenges that impacted our industry. There is marginal improvement in operating profit and net profit. The margins remain under acute pressure despite good capacity utilisation and sales volumes.

Indian Polyester manufacturers have been facing strong headwinds caused by upheavals in the business climate across the globe. The long-extended war between Ukraine and Russia, the Israel-Palestine conflict and choking of shipping lines have given rise to a complex set of factors that have reshaped the market trajectory in unforeseen ways.

As businesses navigated these geopolitical challenges, the textile fibres market adapted to their evolving environment with brands, reevaluating their marketing strategies to align with shifting consumer sentiment. Textile industry in each country evolved its own policies and recipes to mitigate the uncertainties to save lives and jobs. India's textile businesses have faced a rough weather in both domestic and international markets for more than two years.

Textile Industry

At the global level, the textile fibres are growing at the rate 3% CAGR. The demand for synthetic fibres in the domestic market has been good. The MMF industry in India is witnessing rapid growth. MMF market in India is dominated by polyester and viscose fibers, with polyester having a much larger share.

For growth of the polyester industry, the biggest hurdle is perennial shortage of key raw material PTA from domestic suppliers as well as the high price.

The textile industry needs a level playing field at the global level. At present, Indian polyester industry is still at a significant disadvantage in competing against China. Indian manufacturers pay around $95-100/MT more for PTA, which is in short supply domestically. This being the key element of cost, obviously , it is difficult to compete with Chinese prices in domestic market and the same holds true for exports.

This year too, the performance of Indian polyester industry has been extremely challenging. It was a battle against Chinese imports in all forms, yarn, fabric and made ups. The domestic market was flooded with cheaper imports of substandard polyester yarn and fibres. Industry captains got together and fought for policy intervention with facts and figures. The tidal flow of yarn import stemmed only after QCOs on yarns were enforced. After the yarn issue, there was a sudden spurt in fabric imports at ridiculously low prices. These too were brought to the notice of government officials who acknowledged the unscrupulous imports of fabrics at un-heard of prices and put a cap of $3.50 per kg as the minimum value.

Additionally, some new concerns have been raised regarding the textile and fashion industry.

4,05,603 metric tons

Production is 4,05,603 metric tons against 3,80,000 metric tons and sales 4,01,052 against 3,82,000.

"Sustainability is a survival mantra for human lives, businesses, and our planet. Imbibing this is not as a mere compliance of some key parameters but also a way forward to grow business."

From the Chairman's Desk (Continued)

"To ensure sustainability and reduce environmental impact of the the textiles and apparel industry, utilising a sustainable, "circular economy model" is of utmost importance. Sustainability means meeting our own needs without compromising the ability of future generations to meet theirs. The circular economy model is, in brief, a systems' solution framework that tackles global challenges such as climate change, biodiversity loss, waste disposal and pollution. It is one of our topmost priorities to be a contributor to this model."

The fashion industry is labelled as the second most polluting in the world after the oil industry. This segment is the biggest user of polyester. The environment footprint of a manufactured garment comprises a trail of multiple toxic processes from cotton planting (passing through processing and dyeing) and transport to the point of sale and finally, disposal after use. "Fast fashion", premised on low cost and high durability of polyester, has widened this footprint by accelerating wasteful fashion consumption. The danger of polyester clothing going to landfills is an issue being discussed globally as polyester is not biodegradable. All major brands of textiles are committed to change from linear textile economy to a circular textile economy.

To ensure sustainability and reduce environmental impact of the the textiles and apparel industry, utilising a sustainable, "circular economy model" is of utmost importance. Sustainability means meeting our own needs without compromising the ability of future generations to meet theirs. The circular economy model is, in brief, a systems' solution framework that tackles global challenges such as climate change, biodiversity loss, waste disposal and pollution. It is one of our topmost priorities to be a contributor to this model.

Sustainability is a survival mantra for human lives, businesses, and our planet. Imbibing this is not as a mere compliance of some key parameters but also a way forward to grow business.

In line with this thinking, we have been carrying out R & D for Textiles-to-Textiles recycling. Our initial efforts at lab scale in utilising plant waste encouraged us to explore the process of utilizing polyester textile waste and textiles at the end of their life cycle. Mechanical recycling has been there for a couple of years wherein used polyester bottles are cleaned and processed to manufacture fibres. This process , however, does not close the loop as the fibres produced can't be reprocessed further and end up in landfills. We have developed and patented a process based on Molecular regeneration of polyester which can be recirculated infinitely .We are running a pilot plant to use miscellaneous types of textiles, garments, home linen of pre consumer waste and post-consumer waste. Simultaneously, we are in advanced stage of discussions with equipment suppliers for a 26,250 TPA capacity plant. Our future path for growth is likely to be through recycling of polyester, generally expressed by acronym T2T.

Such plants could be located near all textile manufacturing hubs initially and once "End of life" collection system of collecting polyester textile waste is established, the locations would be chosen based on transportation convenience. Several companies all over the world are experimenting to develop commercially viable technologies. We are of firm belief that though sustainability in textiles may sound difficult, it would the way forward.

I think many people assume that a company exists simply to make money. While this is an important outcome of a Company's existence , we need to introspect deeply and try to understand our real reason for our being .We have, over the years, come to conclusion that Companies are nothing but a group of people who get together and exist as an institution that we call a company, so that they are able to accomplish something collectively which they couldn't have accomplished separately. And that they are able to do something worthwhile – they make a contribution to the society. An emphasis on Sustainability strengthens our thought process. Human potential to do something is infinite because no matter how many thoughts you have, how many actions you perform, or words you utter, there are infinite more waiting to be expressed.

Going forward, in our quest , our objectives are being achieved by people who understand what they are doing and can utilize their own capabilities to do them. Management is not a job of just giving orders. It is a job of providing the opportunity for people to use their capabilities efficiently and effectively. All they need is to understand what the agreed objectives are.

To reduce GHG emissions, we have focused on improving the energy efficiency of our existing operations. Increasing energy efficiency is an effective & well-recognized way to reduce carbon footprint. We currently source power from rooftop solar power plants – 1 MW at Dahej and 0.91 MW at Dadra, 0.9 MW from a third-party hybrid wind solar plant and have partnered with a reputed renewable power generation company for a hybrid wind and solar power plant with a capacity of 10.8 MW. Additionally, we are planning to procure 20MW of solar power from the inter-state transmission system for captive consumption.

In summary, our company envisions a future where sustainability is at the core of our operations. We are committed to making substantial progress in reducing our environmental footprint while fostering social responsibility. Our commitment to excellence, combined with our ability to adapt swiftly will continue to be our guiding stars. Our focus remains firmly fixed on seizing emerging opportunities, harnessing technological advancements and aligning with sustainable practices.

May I, on behalf of the board and myself express my heartfelt gratitude to all our stakeholders i.e. our valued investors, loyal customers, committed bankers, and other supportive partners. Your steadfast (consistent) trust in our vision and mission has been the cornerstone of our achievements.

This journey wouldn't have been possible without your continuous support. Thank you for being an integral part of our success. I eagerly anticipate another year of collaboration, growth and accomplishments together. No words would be enough to record my special appreciation to Team Filatex for their dedication and commitment to delivering the highest quality of service to every one of our valued customers even in these difficult and challenging circumstances.

Madhu Sudhan Bhageria

Chairman & Managing Director

Snapshots for 2023-2024

₹4,285.90 Crores
in the FY '24 achieved a revenue of ₹4,285.90 Crores In FY '23, the revenue was ₹4,303.87 Crores.

₹110.66 Crores
Profit After Tax stood at ₹110.66 Crores against ₹89.90 Crores

₹239.15 Crores
Year on year basis the operating earning EBITDA was ₹239.15 Crores against ₹231.98 Crores.

3% CAGR
At the global level, the textile fibres are growing at the rate 3% CAGR.

In a dynamic and ever-evolving business landscape , we have managed to navigate through various challenges that impacted our industry.

Measuring Our Progress

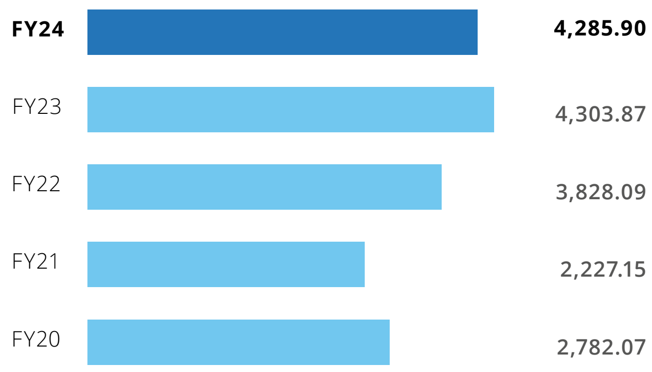
Judicious decision making in times of uncertainty and volatility

Despite the challenging global environment, we recorded growth in terms of production and sales quantities. We also prepaid a part of our term loans in our efforts to reduce leverage.

Financial & Operational Performance

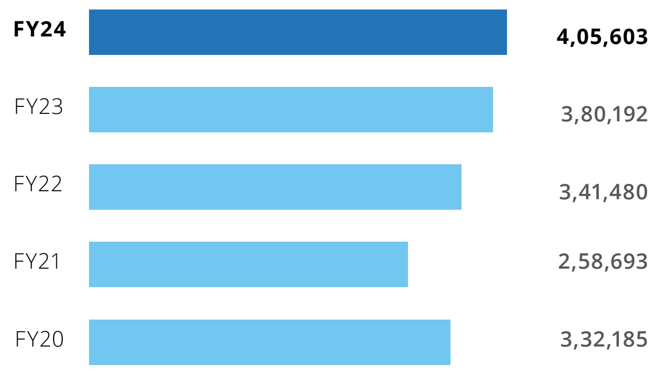
Revenue from Operations ₹4,285.90 Cr
(In ₹ Cr)

The revenue from operations decreased by 0.41% as compared to the previous year.



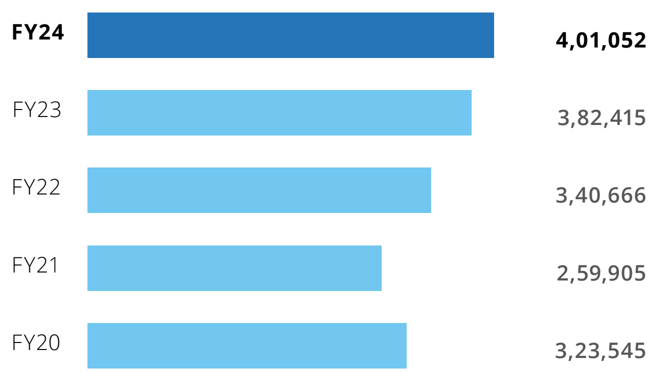
Production Quantity 4,05,603 MT
(In MT)

A record high production was achieved in FY24 while utilizing 96% of the capacities.



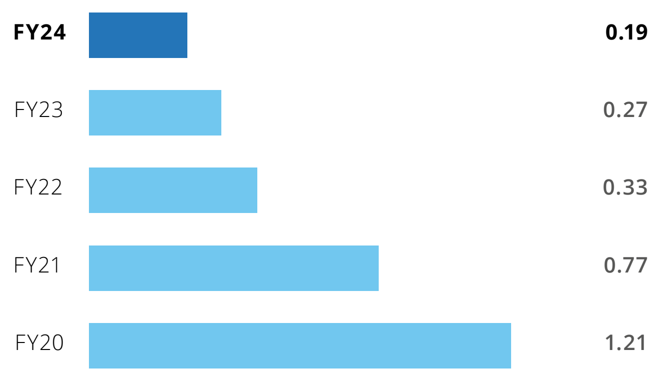
Sales Quantity 4,01,052 MT
(In MT)

A record high sales quantity was achieved in FY24 recording a growth of 4.86% over the previous year.



Debt to Equity Ratio 0.19
(In Times)

Prudent financial management allowed the company to prepay a share of its term loans resulting in improved debt-equity ratio.



Business Model

Built to deliver long term value

Filatex India's strong growth prospects and efficient delivery mechanism is a result of the company's long-standing value chain which has evolved over the years.

Inputs

Steady Finances

Net worth: ₹1,204.09 Cr
Net block: ₹1,347.56 Cr
Capital expenditure: ₹76.64 Cr
Debt: ₹194.80 Cr

Integrated manufacturing operations

Manufacturing experience: 30+ years
Production capacity (net of captive): 4,01,040 MTPA

Skilled workforce

Team members: 1,063

- An experienced Board with in-depth industry knowledge
- Regular experience conducted

Responsible business

CSR spend: ₹5.53 Cr

- Strong stakeholder grievance redressal mechanism

Our value creation process

Value-added products, with focus on researching and adding new products to its basket

CAPEX unfolding, with prospects of future growth

Increased focus on export markets, on the back of China + 1 strategy

Captive power plant, uninterrupted power and savings in energy cost

Business

Polyester Chips	Polyester Multifilament Yarns
Narrow Woven Fabrics	Polypropylene Multifilament Yarns

Outputs

Products

- Polyester chips
- Drawn Textured Yarns (DTY)
- Partially Oriented Yarns (POY)
- Fully Drawn Yarns (FDY)
- Air Textured Yarns (ATY)
- Polypropylene Multifilament Crimp Yarns (PPY)
- Narrow Woven Fabrics (NWF)

Speciality products: Filigree, Ocean, Chubby Yarn, Cotslon, Soie FIL, Flexi FIL

Outcomes

Revenue: ₹4,285.90 Cr
PAT: ₹110.66 Cr
EBITDA: ₹239.15 Cr

- High-quality polyester, polypropylene yarn and narrow woven fabrics
- Wide variety of shades and colours
- Among Top 5 manufacturers of polyester yarn in India
- Exporting to 45+ countries across five continents
- Received prestigious award for excellence in manufacturing
- Long-standing relationships with customers

- Highly motivated employees
- Low attrition rate
- Upskilled workforce updated on modern technology

- Impacting lives of our nearby communities
- Fair and ethical business practices

Strong Foundation

Motivated workforce | Diverse product portfolio | Strong global presence | Excellent customer relations | Robust financial health | Integrated value chain | Superior production capabilities

In our continued efforts to increase the share of renewable power, the Company is procuring power from a 12.5 MW ISTS solar power project in Rajasthan and from a 10.8 MW hybrid wind-solar power project in Gujarat along with rooftop solar power plants at both factories.

Responsible Business Pratices

Being a responsible corporate citizen

At Filatex India, the aspects of business growth and success are essential. However, the Company has always prioritised sustainability and social responsibility as much as the business. The Company continues to fulfil its role as a responsible corporate citizen by investing in a range of initiatives that target the current needs of the local communities as well as their future development.

Supported those in need during the pandemic

As the pandemic disrupted lives, we stepped up to support those in need. We organised free medical check-ups and vaccination camps for the villagers residing near our operations. We set up a COVID isolation ward for those afflicted and also organised free COVID tests and vaccination drives for our employees and local communities.

Focus on environment conservation

We follow sound environmental management practices at our manufacturing units to assess and address potential environmental risks. We conduct special tree plantation drives, in consultation with local horticulturists, near the plant premises to reduce carbon footprint and address environmental issues.

Empowering communities

Contributing towards the education of future generations is a prime area of intervention for us. During the year, we distributed notebooks to underprivileged primary school students at Dadra; Rohitas, Navi Negri and Atali Ashram School. Additionally, we also contribute towards primary health facilities, primary education, women self-employment, Swachh Bharat Abhiyan, promotion of sports, Garib Kalyan Anna Yojna and availability of safe drinking water.

Commitment to Ethical Governance

Strong corporate governance is an integral part of Filatex's core values. We believe that the highest standards of corporate governance are essential to our business integrity, performance and sustainable growth mission. We are, thus, committed to having sound corporate governance principles and practices.

BOARD OF DIRECTORS

BOARD COMMITTEES FRAMEWORK

Audit|Nomination & Remuneration|
Risk Management|
Stakeholders Relationship|
Corporate Social Responsibility

BOARD COMMITTEES

MANAGEMENT REPORTING TO THE BOARD

Risk Management
Periodically reviews risk assessment and minimisation procedures that ensure that Executive Management controls risk by means of a properly defined framework, besides reviewing major risks and proposed action plans.

Nomination and Remuneration
Regularly reviews the remuneration of Directors and persons who may be appointed to senior management and key managerial positions.

Audit
Reports directly to the Board of Directors and regularly reviews financial statements, internal audit reports, audit plans, significant findings, adequacy of internal controls, compliance with accounting standards and more.

Corporate Social Responsibility
Periodically determines and reviews CSR expenditure and social projects as well as their implementation. The Corporate Social Responsibility Committee formulates and recommends to the Board a CSR policy which shall indicate the activities to be undertaken either by the Company or through an implementing agency.

Stakeholders Relationship
Resolves the grievances of the stakeholders, including complaints related to transfer/ transmission of shares, non-receipt of the annual report, non- receipt of declared dividends, review of measures and initiatives taken by the Company.

ROLES AND RESPONSIBILITIES OF THE COMMITTEES

Zero
Corruption/bribery cases received

96.88%
Attendance in Board meetings

20
Board and Board committee meetings held during the year

Zero
Whistle-blower cases

50%
Independent Directors

Board of Directors

Our Board of Directors, supported by the Board Committees, play a crucial role in ensuring strong governance policies and steering the Company towards achieving its vision.

Board committees
A: Audit
N: Nomination and Renumeration
R: Risk Management
C: Corporate Social Responsibility
S: Stakeholders Relationship

● Chairperson ○ Member

Madhu Sudhan Bhageria
Chairman & Managing Director
Years of association with Filatex: 34 (Founder)
Skills: Four decades of financial, operational and strategic planning experience in synthetic and polyester yarn, environment and energy conservation
C R A N

Purrshottam Bhaggeria
Joint Managing Director
Years of association with Filatex: 34 (Founder)
Skills: Diverse experience in corporate affairs, policy perspectives, investments, compliance and legal issues
C S

Madhav Bhageria
Joint Managing Director
Years of association with Filatex: 34 (Founder)
Skills: Over 37 years of rich experience in marketing, operations, insurance and contracts
C

Swarup Chandra Parija
Independent Director
Years of association with Filatex: 21
Skills: Four decades of work experience with the Government of India, in the field of tax
N A S

Suraj Parkash Setia
Independent Director
Years of association with Filatex: 21
Skills: Rich experience in the textile industry
S N A

Pallavi Joshi Bakhru
Independent Director
Years of association with Filatex: 11
Skills: Rich experience of almost three decades in the field of taxation, with expertise in inbound and outbound structuring advisory (including regulatory compliance) for both Indian and overseas investors
N A C R

Manish Vij
Independent Director
Appointed on August 29, 2024
Skills: Two decades of expertise in management, corporate strategy, early-stage investing along with experience in Digital Media and Advertising Industry

Rajender Mohan Malla
Independent Director
Years of association with Filatex: 02
Skills: Four decades of work experience in Banks, Financial Institutions & NBFC in India with a deep understanding of capital markets
A

Meenakshi Mallik
Independent Director
Appointed on August 08, 2024
Skills: Three decades of rich & extensive experience in corporate strategy, commercial operations, process automation and people management

MD&A

Management Discussion and Analysis

Economic Overview

Global Economy

The world witnessed an unexpected resilience of economic activity during the period of 2022–2023. Despite significant central bank interest rate hikes, major advanced economies demonstrated the capacity to sustain growth, supported by robust government spending, household consumption, and increased labour force participation. This resilience, bolstered by substantial household savings accumulated during the pandemic, suggests that the global economy is better positioned to navigate potential challenges in 2024, including ongoing efforts to maintain price stability and adapt to evolving economic conditions.

Outlook

The global economic outlook for 2024 remains cautiously optimistic, with growth projected to hold steady at 3.2%, mirroring the 2023 estimate . However, the global economy faces a mix of challenges and opportunities in the coming year.

On the downside, geopolitical tensions, including the ongoing conflicts in Ukraine and the Middle East, could trigger new price spikes and persistent inflation, potentially leading to higher interest rates and reduced asset values. Disparities in disinflation rates among major economies might strain financial sectors, whilst high interest rates could stress heavily indebted households. Global shipping congestion continues to disrupt supply chains, with altered schedules placing additional pressure on cargo handling. In China, unresolved real-estate sector issues could hamper growth, affecting its trading partners. High government debt might necessitate disruptive tax increases and spending cuts, weakening economic activity and confidence. Additionally, geoeconomic fragmentation could impede supply-side growth.

Conversely, there are potential upsides. Lenient fiscal policies could boost short-term economic activity, albeit risking costly adjustments later. Faster-than-anticipated declines in inflation and rising labour force participation might allow central banks to ease policies sooner. Furthermore, advancements in artificial intelligence and robust structural reforms could enhance productivity.

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Indian Economy

The Indian economy demonstrated remarkable resilience and growth in 2023, surpassing expectations and cementing its position as the world's fastest-growing major economy. The Indian economy beat estimates of 7.7% growth by MSO and grew by an impressive 8.2% in FY24. This strong performance is attributed to several factors, including increased private investment spending, high capital expenditure spending by the government over recent years and a revival of private consumption.

Outlook

Growth in India is projected to remain strong with the robustness reflecting a continuing strength in domestic demand and a rising working-age population. According to the IMF, the Indian economy is expected to grow by 6.8% in 2024 and 6.5% in 2025.

The future of the Indian economy presents both positives and negatives. On the downside, a sharp global growth slowdown could impact India through trade and financial channels, while further global supply disruptions could cause commodity price volatility and increase fiscal pressures. Domestically, weather volatilities and natural calamities could reignite inflationary pressures and lead to more food export restrictions due to constraints on domestic food supply. On the upside, stronger-than-expected consumer demand and private investment could drive growth. Further liberalisation of foreign investment could enhance India's role in global value chains, boosting exports. Additionally, implementing labor market reforms could increase employment and spur economic growth.

Industry Overview

Global Textile Industry

The global textile market size was valued at USD 1,837.27 billion in 2023 and is anticipated to grow at a compound annual growth rate (CAGR) of 7.4% in revenue from 2024 to 2030. This growth is driven by rising consumer demand for textiles, increased awareness of eco-friendly textile products, and the expansion of e-commerce platforms.

However, the global textile industry in 2024 is navigating a dynamic landscape marked by both opportunities and challenges. On the positive side, technological advancements are driving significant improvements in manufacturing efficiency and sustainability. Innovations in materials, such as biodegradable fibers, recycled materials and smart textiles, are gaining traction, catering to increasing consumer demand for eco-friendly and functional products. Digitalization and automation are streamlining supply chains and reducing production costs, enabling companies to respond more rapidly to market trends.

However, the industry also faces several challenges. Geopolitical tensions and trade uncertainties continue to pose risks, potentially disrupting supply chains and affecting raw material availability. Environmental concerns and stricter regulations are pushing companies to adopt more sustainable practices, which can entail substantial investment. Additionally, shifts in consumer behavior, driven by a growing preference for sustainable and ethically produced textiles, are reshaping market dynamics.

Overall, the global textile industry in 2024 is characterised by a blend of innovation and adaptation, as companies strive to meet evolving demands while navigating a complex and changing economic environment.

Indian Textile Industry

The Indian textile industry faced both challenges and opportunities in FY24. The industry continued to benefit from India's position as the world's largest cotton producer, with production projected to reach 7.2 million tones by 2030. This abundance of raw materials, combined with a skilled workforce and competitive production costs, provides India with a significant advantage in the global textile market. However, the man-made sector, a crucial component of the Indian textile industry, experienced a tumultuous year. India became a net importer of polyester yarn, with imports surging by 65% during the first eight months of FY24, while exports plummeted by 38%. This shift was largely due to China's zero-COVID policy, which led to an oversupply of polyester yarn in global markets, including India. The influx of cheaper imports adversely affected the operating profitability as well as capacity utilization of Indian polyester yarn manufacturers, leading to a decline in average sales realization.

On a positive note, Crisil expects a growth in India's textile industry in calendar year 2024, driven by a consistent improvement in domestic demand, gradual recovery in exports, and lower cotton prices. The market for Indian textiles and apparel is expected to expand at a 10% CAGR, reaching US$ 350 billion by 2030, with exports anticipated to hit US$ 100 billion. This growth trajectory reflects the industry's potential to capitalise on emerging opportunities and overcome challenges.

Several government initiatives are poised to boost the sector's growth. The Production-Linked Incentive (PLI) Scheme, with an outlay of ₹10,683.00 crore for man-made fiber and technical textiles, is expected to drive investment and innovation in the industry. Additionally, the government's plan to establish 75 textile hubs across the country is likely to enhance India's manufacturing capabilities and global competitiveness.

Sustainability

Over the past decade, global textile and apparel production has surged, resulting in a significant increase in textile waste. Given growing demand due to fast fashion trends, the textile industry has become one of the biggest sources of waste generation globally. Brands all over the world have been struggling to find a sustainable solution to recycle pre-consumer and end-of-life textile waste and prevent it from ending up in landfills. The demand for recycled material is further driven by increasing environmental awareness of consumers and the textile industry's shift towards sustainable practices.

Recycled Polyester Material

Currently, recycled polyester is mainly made through the mechanical recycling route from PET Plastic bottles with an estimated share of 99% of all recycled polyester. However, mechanical recycling is constrained to only PET bottles and cannot tackle the problem of textile waste. Therefore, research organisations and manufacturers all over the world are struggling to find a sustainable and viable solution to recycle polyester textile waste. For real progress to happen, brands and retailers also need to find ways for products to be returned at the end of-life, and support systems to get these products to the right places so that recycling old garments and textiles into new ones can become a reality. Design for recycling is important too to ensure that textile-to-textile recycling processes can be supported with appropriate feedstocks.

In India, the recycled polyester yarn market is poised for substantial growth, aligning with the country's broader sustainability goals. Indian manufacturers are increasingly investing in recycling technologies and sustainable production methods. However, India also needs to tackle the challenge of waste collection and sorting to develop robust feedstock supply chain channels. As sustainability continues to be a key focus for the textile industry, recycled polyester yarn is set to play a crucial role in reducing environmental impact and meeting consumer demands for eco-friendly products.

Company Overview

The company's promoters with over four decades of experience in marketing and manufacturing synthetic filament yarns give us a strong competitive edge. We are also closely associated with our consumers of specialty filament yarns that allows us to manufacture new and innovative products as per their individual needs. We have marketing offices in all the major markets viz. Delhi, Mumbai and Surat. While the major customers and exports are directly handled by our marketing offices, small customers are catered through a network of dealers spread throughout the country.

Driven by strong leadership, we are focused on increasing capacities, widening our reach, maximising our efficiency, allocating capital effectively, and ensuring sustainability. We firmly believe that our diligent planning and strong execution capabilities set us apart. From our day-to-day operation to our long-term strategic vision, our differentiator has always been our focus on better execution. These execution capabilities manifest in numerous forms, including quality enhancements that we undertake, sustainability practices that we implement, and the social activities that we contribute to.

As the company looks towards the future, its commitment to excellence remains unwavering. The ability to adapt swiftly and seize emerging opportunities will continue to be its guiding principles. The company is dedicated to harnessing technological advancements and aligning its operations with sustainable practices.

The focus on sustainability is not just a commitment but a driving force behind strategic decisions. The company is resolute in its efforts to reduce its environmental footprint and foster social responsibility. By integrating these principles into core operations, the company aims to create long-term value for its shareholders and contribute positively to the communities it serves.

Financial Performance

FY24 presented significant challenges for Filatex India Limited, impacted by various macroeconomic factors. These factors adversely affected market demand and realisations. The Indian polyester industry also faced tough competition from cheaper Chinese imports in the domestic market, leading to subdued prices that affected margins for all Indian manufacturers.

Despite these obstacles, Filatex India Limited managed to achieve ~96% capacity utilisation on an annual basis. The company recorded its highest production and sales quantities of Production are 4,05,603 MT and Sales 4,01,052 MT market environment, the company demonstrated prudent financial management, allowing it to prepay a portion of its term loans in FY24. This resulted in a reduction of the debt-equity ratio from 0.27x in FY23 to 0.19x in FY24.

MD&A

Key Performance Metrics
(FY24 vs. FY23)

The company's revenue from operations stood at ₹4,285.90 Cr in FY24, compared to ₹4,303.87 Cr in FY23. Despite a slight decline in revenue, the company's EBITDA improved to ₹239.15 Cr in FY24 from ₹231.98 Cr in FY23. The profit before tax (PBT) increased to ₹150.43 Cr in FY24 from ₹122.08 Cr in FY23. The profit after tax (PAT) for FY24 was ₹110.66 Cr, up from ₹89.90 Cr in FY23.

5.58%
EBITDA Margin
↑ (3.52%)

₹4300.10Cr
Total Income
↓ (0.46%)

₹110.66Cr
Profit after tax
↑ 23.13%

₹4,285.90Cr
Revenue from operations
↓ (0.41%)

₹72.51Cr
Depreciation and amortization expenses
↑ 5.62%

₹29.11Cr
Finance cost
↓ (50.99%)

₹14.20Cr
Other Income
↓ (12.51%)

₹239.15Cr
EBITDA
↑ 3.09%

Quarterly Performance

(IN MT)	Q1	Q2	Q3	Q4
Production	102,404	103,306	102,924	96,969
Sales	100,211	103,677	100,745	96,419

(IN ₹ CRORES)	Q1	Q2	Q3	Q4
Revenue from operations (Net sales)	1,069.27	1,107.84	1,082.95	1,025.84
EBITDA	44.92	54.20	75.27	64.76
PBT (Before exceptional item)	23.96	31.52	47.73	47.22
PAT	17.62	23.10	35.10	34.84

Key Financial Ratios

PARTICULARS	AS AT MARCH 31, 2024	AS AT MARCH 31, 2023	% CHANGE	REASON FOR VARIANCE (IF ANY)
Current Ratio	1.44	1.27	13.39%	-
Debt Equity Ratio	0.19	0.27	(29.63%)	Long term debt is significantly reduced during the year
Debt Service Coverage Ratio	3.53	2.63	34.22%	Reduction in debt because of repayment and pre-payment of long term loans
Return on Equity (ROE)	9.61%	8.23%	16.77%	-
Inventory Turnover Ratio	10.37	10.97	(5.47%)	-
Debtors Turnover Ratio	34.27	31.17	9.95%	-
Trade Payables Turnover Ratio	8.98	9.96	(9.84%)	-
Net Capital Turnover Ratio	19.17	26.96	-28.89%	Improvement in working capital because of reduction in current liabilities
Net Profit Ratio	2.58%	2.09%	23.44%	Marginal improvement
Return on Capital Employed (ROCE)	11.31%	11.76%	(3.83%)	-
Return on Investment	7.13%	5.81%	22.72%	-

MD&A

Human Resources and Industrial Relations

At the heart of the Company's success lies its workforce, which is regarded as its most valuable asset.

To foster employee growth and development, the Company has implemented policies that nurture talent and provide ample opportunities for advancement, aligning skills with responsibilities. The Company is committed to maintaining a healthy work-life balance, which is essential for long-term benefits and sustained productivity. Transparent performance evaluations and incentive schemes tied to productivity motivate the workforce, leading to higher efficiency and satisfaction.

The Company’s HR policies are designed to be equitable and consistent, promoting peaceful and cordial industrial relations that enhance overall productivity and effectiveness. The Company also fosters a growth-oriented culture by establishing robust systems and processes and focusing on high-quality recruitment. For senior-level promotions and recruitment, temperament and management aptitude tests help evaluate the essential soft skills needed for directing the Company's operations. Regular training programs at all levels are crucial for improving employees' skill sets and work capabilities, supporting their personal growth and long-term career development. Furthermore, the Company places significant emphasis on developing a succession plan for key positions, extending opportunities for well-qualified, young family members who undergo rigorous operational training. This ensures that the Company's future leadership is well-prepared and that employees have clear paths for advancement, balancing professional growth with personal well-being.

Internal Control Systems and Their Adequacy

Filatex maintains a robust internal monitoring and control system to ensure operational and process efficiency, protect company assets from unauthorised use, and authorise financial transactions. The internal control system is tailored to suit the Company's size, scope, and operational complexity. Filatex utilises a 'Budgetary Control' system, with routine monitoring of actual performance by the management. The organisational structure, authority matrix, and internal regulations are clearly defined to enhance effectiveness.

This internal control system plays a crucial role in ensuring the accuracy of financial and other records, facilitating the preparation of reliable financial statements and maintaining accurate asset records. To maintain objectivity and independence, an independent agency serves as the Company's Internal Auditor. They conduct ‘Operations & Systems’ audits following the Audit Committee's guidelines. Internal auditors assess the adequacy and effectiveness of internal control measures, compliance with accounting principles, and statutory requirements.

The results of internal audit reports are reviewed by senior management and the Board's Audit Committee. Based on their recommendations, appropriate compliance measures are implemented to further strengthen the internal control framework.

Cautionary Statement

Investors are advised to exercise caution when reading this discussion, as it contains forward-looking statements that involve potential risks and uncertainties. Words like 'will,' 'shall,' 'anticipate,' 'believe,' 'estimate,' 'intend,' and 'expect,' and similar expressions used in this context are intended to identify such forward-looking statements related to the Company's business. The Company does not assume any obligation to publicly update or revise these forward-looking statements, whether due to new information, future events, or other factors. It should be noted that actual results, performances, or achievements may differ materially from what is expressed or implied in these statements. Several factors, such as the availability and prices of key raw materials, cyclical demand for products in the markets, changes in Government regulations, exchange rate fluctuations, tax regimes, economic developments in India and other countries where the Company operates, and other incidental factors, may contribute to such differences.

Directors' Report

Dear Members,

Your Directors have pleasure in presenting 34th Annual Report of the Company alongwith the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	2023-24	2022-23
Total revenue (Turnover)	4,28,590	4,30,387
Other income	1,420	1,623
Total Income	**4,30,010**	**4,32,010**
Profit before Finance cost, Exchange fluctuation, Depreciation and Tax	25,335	24,821
Finance cost	2,911	5,938
Exchange fluctuation loss/(gain)	130	(191)
Depreciation & amortization expense	7,251	6,866
Profit before exceptional items & tax	**15,043**	**12,208**
Exceptional items	-	-
Profit before tax	**15,043**	**12,208**
Tax expense		
- Current	2,946	3,556
- Deferred	1,031	(338)
Total tax	**3,977**	**3,218**
Net profit after tax	**11,066**	**8,990**
Other comprehensive losses/(income)	80	(24)
Total comprehensive income	**10,986**	**9,014**

DIVIDEND

The Board of Directors of the Company ('the Board') has recommended final dividend of ₹ 0.20 (Twenty Paisa) per equity share of the Company for the year ended March 31, 2024. The dividend on equity shares is subject to the approval of the Shareholders at the ensuing Annual General Meeting of the Company scheduled to be held on September 27, 2024. The dividend once approved by Shareholders will be paid within the statutory time limit.

As per Section 194 of Income Tax Act, a Company is required to deduct TDS @ 10% on dividend payment if it exceeds ₹ 5,000/-. However, no TDS shall be deducted in the case of any dividend payment to Life Insurance Corporation, General Insurance Corporation of India, any other insurer and Mutual Funds specified u/s 10(23D) of Income Tax Act. Moreover, as per Section 195 of the Act TDS is required to deduct @ 20% plus surcharge on payment of Dividend to Non-Resident.

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations"), the Dividend Distribution Policy of the Company is available on the Company's website www.filatex.com.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the Reserves and the entire amount of profits has been retained in the profit and loss account.

OPERATIONS & EXPANSION

Despite the challenging market environment in FY24, the Company has achieved more than 95% capacity utilization on an annual basis. The Company achieved its highest production and sales quantities of 4,05,603 MT and 4,01,052 MT.

The Company has added 70 tons per day capacity to produce cationic chips which will help improve the margins of the Company.

Considering the focus on sustainability of textile industry and the need to shift from linear to circular economy, the Company has developed an in-house R&D process to utilize textile waste in any form. It had set up a pilot plant of 1500 Kgs per day, which is now operating steadily. Based on the success of the pilot plant, the Company has decided to set up a scaled plant with a capacity around 75 tons per day.

SUBSIDIARY COMPANY

During the year ended March 31, 2024, the Company doesn't have any subsidiary. Therefore, Statement containing salient features of the Financial Statement of the said Subsidiary Company is not required to be attached as required under the first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014.

However, during the current financial year 2024-25, the Company has acquired all existing 2,000 Equity Shares of Texfil Private Limited at a face value of ₹ 10 each from Mr. Madhu Sudhan Bhageria and Mr. Purrshottam Bhaggeria, Promoter Directors of the Company. Texfil Private Limited has become the Company's wholly owned subsidiary with effect from May 01, 2024.

FILATEX EMPLOYEE STOCK OPTIONS SCHEME, 2015

The Nomination and Remuneration Committee of the Company had at its meeting held on October 30, 2023, approved grant of 27,20,000 (face value of ₹ 1/- per share) stock options ("options") to the eligible employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of ₹ 48.05 per option (being the closing price at BSE on October 27, 2023 i.e. immediately preceding the grant date), each option being convertible into one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

Diluted Earnings per share (EPS) taking the effect of issuance of options under Filatex ESOS 2015 had been calculated (refer Note No. 40 of the Financial Statement). Disclosure under SEBI (Share Based Employees Benefits) Regulations, 2014 regarding details of the Filatex ESOS, 2015 for the financial year ended March 31, 2024 has been given in Note 50 of the Financial Statement.

SHARE CAPITAL

Presently, the Company's Issued & Paid-up Share Capital is ₹ 44,38,55,500 consisting of 44,38,55,500 Equity shares of ₹ 1/- each.

DEPOSITS

During the year under review, the Company has not accepted any deposits.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Shri Ashok Chauhan, who had been re-appointed as a Whole-Time Director of the Company for the period of two years with effect from May 01, 2022, was ceased to be director of the Company with effect from the close of business hours of April 30, 2024 on account of end of his term.

Shri Madhav Bhageria (DIN: 00021953), Joint Managing Director, retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

Mr. Nitin Agarwal, Vice President (Finance) of the Company, has been appointed as Chief Financial Officer of the Company w.e.f. August 08, 2024. Upon the promotion of Mr. Nitin Agarwal to CFO position, Shri Madhav Bhageria, Joint Managing Director of the Company, was also discharging the responsibilities of Chief Financial Officer, has relieved himself from the responsibilities of said position. He will continue to act as Joint Managing Director of the Company.

Ms. Meenakshi Mallik has been appointed as an Independent Additional Director of the Company for the period starting from August 08, 2024 till September 30, 2027, subject to the approval of shareholders in the ensuing Annual General Meeting.

Shri Swarup Chandra Parija, Shri Suraj Parkash Setia, Smt. Pallavi Joshi Bakhru, Shri Rajender Mohan Malla and Ms. Meenakshi Mallik Independent Directors have confirmed that their names have been enrolled in the Independent Directors' Databank.

The directors would like to confirm that the Company has received declaration from all the Independent Directors confirming their independence as well as confirmation that "he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgement and without any external influence". Accordingly, the requirement of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) & Regulation 25(8) of the Listing Regulations are duly complied with. Pursuant to the circular relating to the "enforcement of SEBI Order regarding appointment of directors by listed companies" dated June 20, 2018, any director of the Company is not debarred from holding the office of director pursuant to any SEBI order. Your directors would like to confirm that as per the opinion of the Board of Directors, all the Independent Directors of the Company meet the requirement of integrity, expertise and experience (including the proficiency) required for their appointment.

Pursuant to the provisions of Section 203 of the Act, at present, the Key Managerial Personnel of the Company are: Shri Madhu Sudhan Bhageria, Chairman and Managing Director, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria, Joint Managing Directors, Mr. Nitin Agarwal, Chief Financial Officer and Mr. Raman Kumar Jha, Company Secretary of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations, the Board has carried out an evaluation of its own performance, the directors individually and the evaluation of the working of its Audit, Nomination & Remuneration Committees, Stakeholders Relationship Committee and Finance & Corporate Affairs Committee. The manner in which the evaluation has been carried out has been given in the Corporate Governance Report.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Nomination & Remuneration Policy is available on the Company's website www.filatex.com.

CORPORATE SOCIAL RESPONSIBILITY

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee consists of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria and Mrs. Pallavi Joshi Bakhru, as members.

The Board, on the recommendation of CSR Committee, approved ₹ 552.98 Lakhs being two percent of average net profits of ₹ 27,649.20 Lakhs during preceding three financial years of the Company calculated in accordance with the provision of Section 198 of the Companies Act, 2013 to be spent on CSR activities during the financial year 2023-24 in accordance with CSR Policy, which is available at the Company website www.filatex.com.

During the year under review, the Company has incurred an expenditure of ₹504.12 Lakhs on Education, Swachh Bharat Abhiyan, Health facilities, Promotion of sports, making available safe drinking water, environment sustainability, rural development, women empowerment etc. However, balance amount of ₹ 48.86 Lakhs could not be spent due to ongoing project. The Board of Directors in its meeting held on February 14, 2020 approved to start a 20 Bed Hospital with a causality/emergency ward at a budgeted cost of the project of ₹ 600 Lakhs which will be funded from our CSR budget in the coming years. Eventually, over the years, we will build a 50 Beds Hospital and School (hereinafter referred as "Ongoing Project")

Pursuant to Section 135(6) of the Companies Act, 2013, the Company transferred an amount of ₹ 48.86 Lakhs in CSR Unspent Account (FY 2023-24) on April 29, 2024. The said amount shall be spent within a period of three financial years from the date of such transfer for above Ongoing Project, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

During the financial year ended March 31, 2023, Lala Govindramjee Charitable Society, an implementing agency, bought land in Village Eksal, District Bharuch, Gujarat to set up a new School. The Company, till March 31, 2024, has already made contribution of around ₹ 600 Lakhs to the Society for the purpose of setting up a School and the Society already started the construction of the school building.

The Board of Directors, on the recommendation of the CSR Committee, in its meeting held on April 30, 2024 approved an additional amount of ₹ 1,150 Lakhs towards completing the construction and related activities for the said school in Village Eksal, District Bharuch, Gujarat which will be completed by end of FY 2026.

Details of the expenditure incurred towards CSR activities for the financial year 2023-24 is annexed herewith as **Annexure "A"**.

MEETINGS OF THE BOARD

Four (4) meetings of the Board of Directors were held during the year. The details of which are given in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, your Directors state that:

i. in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed and that there are no material departures therefrom;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. That they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

SECRETARIAL STANDARDS

Your Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

CORPORATE GOVERNANCE

The Corporate Governance Report and Management Discussion & Analysis as per Schedule V of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 along with Certificate regarding compliance of conditions of Corporate Governance are annexed herewith as **Annexure "B".**

MANAGEMENT DISCUSSION & ANALYSIS

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015, the Management Discussion & Analysis is set out in this Annual report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In recent years, the importance of addressing climate change, promoting inclusive growth, and transitioning to a sustainable economy has gained significant global attention. Investors and stakeholders now expect companies to be responsible and sustainable in their practices, placing equal importance on reporting their performance on sustainability-related factors alongside financial and operational performance.

As per the amendment to Regulation 34(2)(f) of the Listing Regulations, 2015 and the National Guidelines on Responsible Business Conduct (NGRBC) issued by the Ministry of Corporate Affairs, Government of India, the top one thousand listed companies are required to prepare and present a Business Responsibility and Sustainability Report (BRSR) to stakeholders. This replaces the previous Business Responsibility Report (BRR) and follows internationally accepted reporting frameworks such as GRI, SASB, TCFD, and Integrated Reporting.

Starting from the financial year 2022-23, filing the BRSR has become mandatory for the top 1000 listed companies based on market capitalization, replacing the BRR. As of March 31, 2024, Our Company is ranked 831 at NSE and 851 at BSE based on market capitalization. The BRSR requires listed entities to disclose their performance against the nine principles of the NGBRC, with reporting divided into essential and leadership indicators. Essential indicators are mandatory to report, while reporting leadership indicators is voluntary.

The Business Responsibility and Sustainability Report for the financial year ended March 31, 2024 is attached with this annual report.

AUDITORS

As per the provisions of Section 139 of the Companies Act 2013, **M/s Arun K. Gupta & Associates** (Firm Registration No. 000605N) was re-appointed as the Statutory Auditors to hold office for the second term of five years commencing financial year 2022-23 to hold office from the conclusion of the 32nd Annual General Meeting of the Company till the conclusion of the 37th Annual General Meeting to be held in 2027 on such remuneration plus GST, out-of-pocket expenses etc. to be decided by the Board of Directors.

JOINT STATUTORY AUDITOR

In accordance with the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, Members of the Company in their Annual General Meeting held on September 30, 2020, appointed **M/s R. N. Marwah & Co. LLP**, (Firm Registration no. (001211N/N500019), Chartered Accountants, as the Joint Statutory Auditor of the Company for a term of five years commencing from the Company's financial year 2020-21 to hold office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting to be held in 2025 on such remuneration plus GST, out-of-pocket expenses etc. as decided by the Board of Directors.

AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s Arun K. Gupta & Associates, Statutory Auditors and M/s R. N. Marwah & Co. LLP, Joint Statutory Auditor, in their report for the Financial Year ended March 31, 2024. The Statutory Auditors and Joint Statutory Auditor have not reported any incident of fraud to the Audit Committee of the Company/Central Government in the year under review.

COST AUDITORS

Your Company has appointed **M/s Bahadur Murao & Co.**, (Firm Registration No. 000008) a firm of Cost Auditors, for conducting the audit of cost records for the financial year 2024-25 as the Cost Auditor at a remuneration of ₹ 70,000 plus GST and out of pocket expense subject to the approval of the Central Government and Members at the ensuing Annual General Meeting.

SECRETARIAL AUDITOR

The Board has appointed **M/s Siddiqui & Associate,** Practising Company Secretary, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith as **Annexure "C"**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which may be considered as material in accordance with the policy of the Company on materiality of related party transactions.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014), Form No. AOC-2 is annexed herewith as **Annexure "D"**.

Policy for determining 'material' subsidiaries and the Policy on related party transactions as approved by the Board may be accessed on the Company's website www.filatex.com

Your Directors draw attention of the members to Note no. 46 to the financial statement which sets out related party disclosure.

STOCK EXCHANGE LISTING

Presently, the Equity Shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange. The Annual Listing Fee for the year 2024-25 has been paid to the Stock Exchanges.

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

A statement relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, is annexed herewith as **Annexure "E"**.

PARTICULARS OF EMPLOYEES

During the year, no employees of the Company received remuneration more than ₹ 102.00 Lakhs per annum or ₹ 8.50 Lakhs per month if employed for part of the year except Shri Madhu Sudhan Bhageria, Chairman & Managing Director, Shri Purrshottam Bhaggeria & Shri Madhav Bhageria, Joint Managing Director of the Company. Accordingly, information pursuant to the provisions of Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure "F"**.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and name and designation of Top ten employees in terms of remuneration drawn are annexed herewith as **Annexure "F"**.

VIGIL MECHANISM

In terms of Section 177 of the Companies Act, 2013 and SEBI Regulations, the Company has formulated the Whistle Blower policy/Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com

During the year under review, no complaint was received from any Whistle Blower. No personnel of the Company were denied access to the Audit Committee. In this regard, Shri Ashok Chauhan, Chief Visionary Officer is the Vigilance Officer of the Company.

RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 & SEBI Regulations, the Company has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures which is also given in the Corporate Governance Report. The Board of Directors don't foresee any elements of risk, which in its opinion, may threaten the existence of the Company.

RISK MANAGEMENT COMMITTEE

The Company constituted the Risk Management Committee consists of two Directors namely, Shri Madhu Sudhan Bhageria, Chairman & Managing, Smt. Pallavi Joshi Bakhru, Independent Director & two senior executives, Shri Ashok Chauhan, Chief Visionary Officer and Shri Rajiv Kumar Kasturia, President (Marketing) of the Company. Shri Madhu Sudhan Bhageria will be Chairman of the Risk Management Committee.

The policy on Risk Management as approved by the Board is uploaded on the Company's website www.filatex.com

Your Company believes that several factors such as advancements in technology, prevalent geo-political environment and stringent regulatory and environmental requirements have consequential impacts across the value chain of a business. These impacts are likely to continue and intensify over time and for a business to be sustainable, it needs to adapt to the environment by managing risks and opportunities in a systematic manner

The Board of Directors of the Company are responsible for risk oversight functions. Risk Management Committee provide guidance for implementing the risk management policy across the organisation. The operation heads of each business units are primarily responsible for implementing the risk management policy of the Company and achieving the stated objective of developing a risk intelligent culture that helps to improve the Company's performance. The responsibility of tacking and monitoring the key risks of the division/business unit periodically and implementing suitable mitigation plans proactively is with the senior executives of various functional units. These risk owners are expected to avoid any undue deviations or adverse events and ultimately help in creating value for the business.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statement (Please refer to Note No(s). 6, 11 & 15 to the financial statement).

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

The Company has put in place and practiced an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) had been set up to redress complaints regarding sexual harassment. All employees are covered under this policy. During the year under review, the Company has not received any complaint under the said Policy.

ANNUAL RETURN

The Annual Return for the financial year 2022-23 is available on the website of the Company www.filatex.com

GENERAL DISCLOSURES

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

(i) Details relating to deposits covered under Chapter V of the Act.

(ii) Issue of equity shares with differential rights as to dividend, voting or otherwise.

(iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.

(iv) The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

(v) 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.

(vi) There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016 against the Company.

ACKNOWLEDGEMENTS

The Board of Directors is pleased to place on record its sincere appreciation for the assistance, support and cooperation received from its Bankers, Government Authorities, Dealers, Customers and Vendor. Your Directors would like to record their sincere appreciation for the dedicated efforts put in by all employees, their commitment and contribution ensuring smooth operations that your Company has achieved during the year. The directors also place on record their sincere appreciation for the confidence reposed by the Members in the Company.

For and on behalf of the Board of Directors

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN: 00021934

Place: New Delhi
Date: August 08, 2024

Annexure - A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company: As Per CSR Policy

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Madhu Sudhan Bhageria	Chairman	There was one meeting of the Committee held on August 04, 2023	1
2	Shri Purrshottam Bhaggeria	Member		1
3	Shri Madhav Bhageria	Member		1
4	Smt. Pallavi Joshi Bakhru	Member		1

3. Provide the weblink where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee	www.filatex.com
CSR Policy	
CSR projects approved by the Board	

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1	2022-23	Nil	Nil
2	2021-22	Nil	Nil
3	2020-21	Nil	Nil
TOTAL		**Nil**	**Nil**

6. Average net profit of the Company as per Section 135(5) (₹ In Lakhs): 27,649.20

7. (a) Two percent of average net profit of the Company as per Section 135(5) (₹ In Lakhs)	552.98
7. (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years (₹ In Lakhs)	Nil
7. (c) Amount required to be set off for the financial year, if any (₹ In Lakhs)	Nil
7. (d) Total CSR obligation for the financial year (7a+7b-7c) (₹ In Lakhs)	552.98

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (₹ In Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
504.12	48.86	29-Apr-24	Not applicable		

8. (b) Details of CSR amount spent against **ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (₹ in Lakhs)*	Amount spent in the current financial year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Setting up of New School at Jolva Village	Promoting Education	Yes	Gujarat	Bharuch	3 Years	600.00	231.19	-	Both	Lala Govindramjee Charitable Society	CSR00008815
2	Setting up of New School at Jolva Village	Promoting Education	Yes	Gujarat	Bharuch	3 Years	1,150.00	144.58	48.86	Both	Lala Govindramjee Charitable Society	CSR00008815
Total							**1,750.00**	**375.77**	**48.86**			

8. (c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Ceiling fan, fitness equipments, school bags, uniforms, shoes, Computer, water cooler, belt, board etc provided to school/ashram	Promoting Education	Yes	Gujarat	Bharuch	20.09	Yes	Not applicable	-
2	Contribution for celebrating cultural events & Distribution of snacks	Rural Development	Yes	Gujarat	Bharuch	3.14	Yes	Not applicable	-
3	Contribution for Cricket Tournament for promotion of Sports	Promoting Sports	Yes	Gujarat	Bharuch	4.84	Yes	Not applicable	-
4	Distributed Sewing Machine to women in nearby Village	Women empowerment	Yes	Gujarat	Bharuch	1.73	Yes	Not applicable	-
5	Distribution Of Blanket	Promoting Healthcare	Yes	Delhi	Delhi	0.36	Yes	Not applicable	-
6	Distribution of Dustbin in nearby villages	Swachh Bharat Abhiyan	Yes	Gujarat	Bharuch	0.18	Yes	Not applicable	-
7	Distribution of Food Packets	Promoting Healthcare	Yes	Gujarat	Bharuch	2.28	Yes	Not applicable	-
8	Distribution of T-shirt and Track Suit to youth for development of Sports	Promoting Sports	Yes	Gujarat	Bharuch	0.23	Yes	Not applicable	-

8. (c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **(Contd.)**

(1) Sr. No.	(2) Name of the project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
9	Donation to "All India Federation of the Deaf"	Promoting Healthcare	Yes	Delhi	Delhi	0.50	No	All India Federation of the Deaf	CSR00006061
10	Donation to "BHARAT KE VEER"	Armed forces veterans, war widows and their dependents	Yes	Delhi	PAN India	1.90	Yes	Not applicable	-
11	Donation to "ISKCON" for meals to needy person	Promoting Healthcare	Yes	Delhi	Delhi	4.41	No	ISKCON	CSR00005241
12	Donation to "Manav Mandir Mission Trust"	Promoting Education	Yes	Delhi	Delhi	1.04	No	Manav Mandir Mission Trust	CSR00012647
13	Donation to "Spurgenesis Foundation" for purchase of sports equipments	Promoting Sports	Yes	Delhi	Delhi	2.00	No	SpurGenesis Foundation	CSR00039828
14	Donation to "Toy Bank"	Rural Development	Yes	Delhi	Delhi	2.51	No	TOY BANK	CSR00005512
15	Exercise Equipment provided in Jolva Village	Rural Development	Yes	Gujarat	Bharuch	0.66	Yes	Not applicable	-
16	Fitness & Exercise Equipments set up in Jolva Village	Rural Development	Yes	Gujarat	Bharuch	1.11	Yes	Not applicable	-
17	Gardening and Cleaning work in Jolva Village	Swachh Bharat Abhiyan	Yes	Gujarat	Bharuch	10.58	Yes	Not applicable	-
18	Organising Medical Health Checkup and Distribution of Medicine	Promoting Healthcare	Yes	Delhi	Delhi	0.52	Yes	Not applicable	-
19	Organising Medical Health Checkup and Distribution of Medicine	Promoting Healthcare	Yes	Gujarat	Bharuch	3.14	Yes	Not applicable	-
20	Paint Maintenance work in School and Ashram	Rural Development	Yes	Gujarat	Bharuch	6.71	Yes	Not applicable	-
21	Provided Grass Cutting Machine to Govt. High School	Promoting Education	Yes	Dadra, UT of Dadra and Nagar Haveli	Dadra, UT of Dadra and Nagar Haveli	0.14	Yes	Not applicable	-
22	Providing and Supplying Wet Mix Macadam in base course lean and compacted graded stone aggregates for Demni Road Repairing.	Rural Development	Yes	Dadra, UT of Dadra and Nagar Haveli	Dadra, UT of Dadra and Nagar Haveli	0.14	Yes	Not applicable	-
23	Refrigerator provided in nearby village	Rural Development	Yes	Gujarat	Bharuch	0.20	Yes	Not applicable	-
24	Removal of Hazardous waste material from nearby village and transporting it to safer place	Rural Development	Yes	Gujarat	Bharuch	12.98	Yes	Not applicable	-

8. (c) Details of CSR amount spent against **other than ongoing projects** for the financial year: **(Contd.)**

(1) Sr. No.	(2) Name of the project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (₹ in Lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
25	Sponsorship for Mr. Maiban Chingkheinganba for participating in sports at International level.	Promoting Sports	Yes	Delhi	Delhi	13.24	Yes	Not applicable	-
26	Supply of Ration Kits with a vision to making this UT Malnutrition free	Promoting Healthcare	Yes	Dadra, UT of Dadra and Nagar Haveli	Dadra, UT of Dadra and Nagar Haveli	3.29	Yes	Not applicable	-
27	Supporting Child education	Promoting Education	Yes	Gujarat	Bharuch	16.88	Yes	Not applicable	-
28	Use of Ambulance, organising Medical checking camps, Distribution of medical supplies etc	Promoting Healthcare	Yes	Gujarat	Bharuch	13.55	Yes	Not applicable	-
Total						**128.35**			

8. (d) Amount spent on Administrative Overheads - ₹ in Lakhs	-
8. (e) Amount spent on Impact Assessment, if applicable - ₹ in Lakhs	-
8. (f) Total amount spent for the Financial Year (8b+8c+8d+8e) - ₹ in Lakhs	504.12

8. (g) Excess amount for set off, if any

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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(1) Sr. No.	(2) Preceding Financial Year	(3) Amount transferred to Unspent CSR Account under Section 135(6) (₹ in Lakhs)	(4) Balance Amount in unspent CSR account (₹ in Lakhs)	(5) Amount spent in the reporting financial year (₹ in Lakhs)	(6) Income earned on amount kept in separate CSR account in the current financial year (net of tax) (₹ in Lakhs)	(7) Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			(8) Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
						Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
1	FY 2020-21	110.96	-	-	-	Not applicable			-
2	FY 2021-22	111.98	-	-	-	Not applicable			-
3	FY 2022-23	270.50	270.50	15.00	11.21	Not applicable			266.71
TOTAL		**493.44**	**270.50**	**15.00**	**11.21**				**266.71**

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	**Project ID**	**Name of the project**	**Financial year in which the project was commenced**	**Project duration**	**Total Amount allocated for the project (₹ in Lakhs)**	**Amount spent on the project in the reporting Financial year (₹ in Lakhs)**	**Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)**	**Status of the project- Completed/ Ongoing**
1		School in Eksal Village, Bharuch District - ground floor	2021-22	3 Years	600.00	231.19	600.00	Completed
2		School in Eksal Village, Bharuch District - first floor, second floor and finishing of whole area	2023-24	3 Years	1,150.00	159.58	159.58	Ongoing
TOTAL					**1,750.00**	**390.77**	**759.58**	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:

(a) Date of creation or acquisition of the capital asset(s).	Not applicable
(b) Amount of CSR spent for creation of acquisition of capital asset.	
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reasons(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5).

During the year under review, the Company has incurred an expenditure of ₹ 504.12 Lakhs on Education, Swachh Bharat Abhiyan, Health facilities, Promotion of sports, making available safe drinking water, environment sustainability, rural development, women empowerment etc. However, bala

Date: April 30, 2024
Place: New Delhi

Madhu Sudhan Bhageria
(Chairman and Managing Director & Chairman of CSR Committee)

Pallavi Joshi Bakhru
(Independent Director)

Madhav Bhageria
Joint Managing Director & CFO

Annexure - B

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation"), given below is a Corporate Governance Report on the matters mentioned in the Schedule V of the Listing Regulation.

1. Company's Philosophy on Code of Governance

Your Company is fully committed to conduct its business with due compliance of all applicable laws, rules and regulations. The Company's philosophy on Corporate Governance lays strong emphasis on integrity, transparency, accountability and full disclosure in all facets of its operations to achieve the highest standards of Corporate Governance and also to enhance the trust of the creditors, employees, suppliers, customers and public at large. The Company continues to believe that all its operations and actions must serve the underlying goal of enhancing shareholders value over a sustained period of time.

During the year under review, the Board continued its pursuit of achieving these objectives through the adoption and monitoring of corporate strategies, prudent business plans, monitoring of major risks of the Company's business.

2. Board of Directors

The Board of Directors consists of total 8 members comprising of 4 Executive Directors & 4 Non-Executive Directors & Independent Directors out of which one is women director representing an optimum mix of professionalism, knowledge and experience in their respective fields.

The Company currently has a right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. Detailed profile of the Directors is given in this annual report.

i) Structure of Board of Directors:

Sr. No.	Name	Category of Directors
1.	Shri Madhu Sudhan Bhageria Chairman & Managing Director	Executive Director
2.	Shri Purrshottam Bhaggeria Joint Managing Director	Executive Director
3.	Shri Madhav Bhageria Joint Managing Director & CFO	Executive Director
4.	Shri Ashok Chauhan* Whole-Time Director	Executive Director
5.	Shri Swarup Chandra Parija Director	Non-Executive & Independent Director
6.	Shri Suraj Parkash Setia Director	Non-Executive & Independent Director
7.	Smt. Pallavi Joshi Bakhru Director	Non-Executive & Independent Director
8.	Shri Rajender Mohan Malla Director	Non-Executive & Independent Director

*Ceased to be director with effect from April 30, 2024. Presently, Shri Ashok Chauhan is working as a Chief Visionary Officer.

Skills/Expertise/Competence of the Board of Directors

Core skills/expertise/competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:

Sr. No.	Skills/Expertise/Competence required by the Board of Directors		Status of availability with the Board
1.	Understanding of Business/Industry	Experience and knowledge of business related issues in general and those of textile business in particular	✓
2.	Strategy and strategic planning	Ability to think strategically, identify and assess strategic opportunities & threats and contribute towards developing effective strategies in the context of the strategic objectives of the Company's policies & priorities	✓
3.	Critical and innovative thoughts	The ability to analyse the information and share innovative approaches and solutions to the problems	✓
4.	Financial Understanding	Ability to analyse and understand the key financial statements, assess financial viability of the projects & efficient use of resources	✓
5.	Market Understanding	Understanding of the Textiles Market dynamics	✓
6.	Risk and compliance oversight	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliances, and monitor risk and compliance management frameworks	✓

Sr. No.	Name of Directors	Understanding of Business/ Industry	Strategy and Strategic Planning	Critical and Innovative Thoughts	Financial Understanding	Market Understanding	Risk and Compliance Oversight
1.	Shri Madhu Sudhan Bhageria	✓	✓	✓	✓	✓	✓
2.	Shri Purrshottam Bhaggeria	✓	✓	✓	✓	✓	✓
3.	Shri Madhav Bhageria	✓	✓	✓	✓	✓	✓
4.	Shri Ashok Chauhan	✓	✓	✓	✓	✓	✓
5.	Shri Swarup Chandra Parija	✓	-	✓	✓	-	✓
6.	Shri Suraj Parkash Setia	✓	-	✓	✓	✓	✓
7.	Smt. Pallavi Joshi Bakhru	✓	-	✓	✓	-	✓
8.	Shri Rajender Mohan Malla	✓	-	✓	✓	✓	✓

None of the Directors is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Wholetime Directors of the Company are not the Independent Directors of any listed Company. Except Shri Madhu Sudhan Bhageria, Shri Purrshottam Bhaggeria and Shri Madhav Bhageria, none of the Directors are related to each other.

Shri Swarup Chandra Parija, Shri Suraj Parkash Setia, Smt. Pallavi Joshi Bakhru and Shri Rajender Mohan Malla, Independent Directors have confirmed that their names have been enrolled in the Independent Directors' Databank. The Company issues a formal letter of appointment to the Independent Directors at the time of their appointment and the same are uploaded on the Company's website.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

ii) Board Meetings:

During the year 2023-24, the Board meets four times on May 04, 2023, August 04, 2023, October 30, 2023 and February 10, 2024.

Further, none of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 across all the Companies in which he/she is a Director.

Details of attendance of each Director at various meetings of the Company and the membership held by the Directors in the Board/Committees of other Companies are as follows:

Sr. No.	Name	No. of Board Meetings attended	No. of Other Directorship*	Committee Memberships*	Committee Chairmanship*	Attendance in AGM	Attendance in AGM
1.	Shri Madhu Sudhan Bhageria	4	1	-	-	Yes	No
2.	Shri Purrshottam Bhaggeria	3	1	-	-	Yes	No
3.	Shri Madhav Bhageria	4	-	-	-	Yes	No
4.	Shri Ashok Chauhan	4	-	-	-	Yes	No
5.	Shri Suraj Parkash Setia	4	6	3	-	Yes	No
6.	Shri Swarup Chandra Parija	4	-	-	-	Yes	No
7.	Smt. Pallavi Joshi Bakhru	4	4	3	1	Yes	Yes[#]
8	Shri Rajender Mohan Malla	4	8	5	4	Yes	Yes[#]

* As on March 31, 2024 Represents Directorship & Membership/Chairmanship of Audit Committee & Stakeholders' Relationship Committee of Indian Public Companies.

[#] Directorship of Shri Rajender Mohan Malla and Smt. Pallavi Joshi Bakbru in other Listed Companies is as under:

Shri Rajender Mohan Malla		Smt. Pallavi Joshi Bakhru	
Name of other Listed Companies	**Designation**	**Name of other Listed Companies**	**Designation**
• IOL Chemicals and Pharmaceuticals Limited	Independent Director	Gabriel India Limited	Independent Director
• Waaree Technologies Limited		Neuland Laboratories Limited	
		Hindustan Zinc Limited	

iii) Board Procedure:

The members of the Board are provided with the requisite information mentioned in the SEBI Listing Regulations before the Board Meetings. The Board periodically reviews compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances. The Chairman & Managing Director alongwith two Joint Managing Directors and Wholetime Director manage the day-to-day affairs of the Company subject to the supervision and control of the Board of Directors. The Independent Directors take active part in the Board and Committee meetings, which adds value in the decision making process of the Board of Directors.

All the Directors who are on various committees are within the permissible limits of the Listing Regulation. The necessary disclosures regarding committee positions have been made by the Directors.

iv) Meeting of Independent Directors:

The meeting of Independent Directors was held on March 22, 2024 to discuss, inter-alia:

(a) the performance of Non-Independent Directors and the Board as a whole;

(b) the performance of the Chairman & Managing Director of the Company, taking into account the views of Executive Director and Non-Executive Directors;

(c) the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the meeting. The criteria for performance evaluation of Directors is given under the heading Nomination and Remuneration Committee mentioned in Item 4 below.

v) Familiarisation Programme for Independent Directors:

Independent Directors of the Company are made aware of their role, rights and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Independent Directors have the opportunity to visit the plants of the Company, to enable them to understand of the manufacturing processes and operations and the Industry in which it operates.

All Directors of the Company are updated, as and when required, of their role, responsibilities and liabilities. The Board of Directors have complete access to the information within the Company. Presentations are made regularly before the meetings of the Board of Directors and the Audit Committee, where Directors have an opportunity to interact with senior management personnel. Presentations cover, inter-alia, quarterly and annual results, business strategies, budgets, review of internal audit, risk management and such other areas as may arise from time to time.

Independent Directors have the freedom to interact with the Management of the Company. Interactions happen during the meetings of the Board or Committees, when Senior Management Personnel of the Company make presentations to the Board.

3. Audit Committee

In terms of Section 177 of the Companies Act, 2013 and the Listing Regulation, the Audit Committee consists of Four Independent Directors and One Non-Independent Director namely, Shri Suraj Parkash Setia, Shri Swarup Chandra Parija, Smt. Pallavi Joshi Bakhru and Shri Rajender Mohan Malla and Shri Madhu Sudhan Bhageria. Smt. Pallavi Joshi Bakhru is Chairman of the Committee. The terms of reference of the Audit Committee are as per Section 177 of the Companies Act, 2013 and Listing Regulation, which inter-alia include the overview of Company's Financial Reporting Process, review of Quarterly, Half Yearly and Annual Financial Statements, Management Discussion & Analysis, Adequacy of Internal Control Systems, Major Accounting Policies & Practices, Compliances with Accounting Standards, Related Party Transactions, appointment of statutory auditors and internal auditors etc.

The Company Secretary of the Company acts as the Secretary of the Committee.

The Internal Audit Reports are prepared by an external firm of Chartered Accountants & cover various areas of the operations of the Company. The Audit Committee reviews internal audit report regularly. This ensures a constant review of operations and systems and highlights the areas which need improvement. The reports form the basis for the management to develop and maintain a transparent and effective Internal Control system.

During the year 2023-24 the Committee met four (4) times and the gap between two meetings did not exceed 120 days. The attendance at the meetings is as under:

Date of Meeting	No. of Members present
04-05-2023	5
04-08-2023	5
30-10-2023	5
10-02-2024	5

Shri Purrshottam Bhaggeria, Joint Managing Director, Shri Madhav Bhageria, Joint Managing Director & CFO and, Shri Ashok Chauhan, Wholetime Director, Internal Auditors and Statutory Auditors & Joint Auditor are invited to attend the Audit Committee Meetings.

The minutes of the meetings of the Audit Committee are circulated to all the members of the Board. The previous AGM of the Company was held on September 27, 2023. Smt. Pallavi Joshi Bakhru, Chairman of the Audit Committee attended the last AGM.

4. Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 and the Listing Regulation, the Nomination & Remuneration Committee consists of four Directors namely, Shri Suraj Parkash Setia, Shri Swarup Chandra Parija, Smt. Pallavi Joshi Bakhru and Shri Madhu Sudhan Bhageria. Smt. Pallavi Joshi Bakhru is the Chairman of the Committee.

The Committee reviews and recommends the remuneration payable to Key Managerial persons on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record etc. The Company Secretary of the Company acts as the Secretary of the Committee. During the financial year ended March 31, 2024, there were two meetings of the Committee held on August 04, 2023 and October 30, 2023. Smt. Pallavi Joshi Bakhru, Chairman of the Nomination and Remuneration Committee attended the last AGM held on September 27, 2023. The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
04-08-2023	4
30-10-2023	4

Nomination and Remuneration Policy:

The Company's Nomination and Remuneration Policy for selection and appointment of Directors, Senior Management and their remuneration are available at the Company's website www.filatex.com.

Criteria for Performance Evaluation of Directors:

Performance evaluation of each Director was carried out based on the criteria as laid down by the Nomination and Remuneration Committee. Criteria for performance evaluation included aspects such as Board composition and structure, effectiveness of Board processes, attendance at the meetings, participation and independence during the meetings, interaction with management, role and accountability, knowledge and proficiency, contribution in the long term strategic planning, etc. The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effectiveness of Committee meetings etc. The above criteria for evaluation was based on the Guidance Note issued by SEBI.

Further, performance evaluation of the Managing Director/Joint Managing Directors/Wholetime Directors was based on the implementation of various plans & policies in the Company, monitoring and implementation of the projects including the smooth day to day affairs and operations of the Company and finally performance and business achievements of the Company.

Details of Remuneration paid/payable to the Directors during the Financial Year ended March 31, 2024

(₹ in Lakhs)

Sr. No.	Name of Directors	Salary & Allowances	Contribution to Provident Fund	Perquisites	Commission	Sitting Fees	Total
1	Shri Madhu Sudhan Bhageria Chairman & Managing Director	112.40	0.22	5.37	60.33	-	178.32
2	Shri Purrshottam Bhaggeria Joint Managing Director	100.80	0.22	5.46	60.33	-	166.81
3	Shri Madhav Bhageria Joint Managing Director & CFO	100.20	0.22	11.90	60.33	-	172.65
4	Shri Ashok Chauhan Whole-Time Director	45.00	-	-	-	-	45.00
5	Shri Suraj Parkash Setia	-	-	-	-	2.60	2.60
6	Shri Swarup Chandra Parija	-	-	-	-	2.60	2.60
7	Smt. Pallavi Joshi Bakhru	-	-	-	-	3.20	3.20
8	Shri Rajender Mohan Malla	-	-	-	-	2.20	2.20

The aforesaid amount does not include amount in respect of Gratuity and Leave encashment as the same is not paid.

The employment of Managing/Joint Managing Directors/ Whole-Time Director is on contractual basis. None of the Non-Executive Directors held any Equity Shares of the Company except Mr. Suraj Parkash Setia who holds 200 shares as on March 31, 2024. The Managing/ Joint Managing Directors/Whole-Time Director are paid remuneration as approved by the Board of Directors and Shareholders on the recommendation of the Nomination and Remuneration Committee and are not paid sitting fees for Board/Committee Meetings attended by them. Non-Executive Directors do not have any pecuniary relationship with the Company except payment of sitting fees for attending the Board/Committee Meetings. None of the Directors holds more than 10% of Equity Share of the Company.

The re-appointments of the Managing Director/Joint Managing Directors are made for a period of three years on the terms and conditions contained in the respective resolutions passed by the members in the Annual General Meetings/through postal ballot. Shri Ashok Chauhan, who were re-appointed as Wholetime Director by the Board of Directors on the recommendation of the Nomination & Remuneration Committee for a further period of two years w.e.f. May 01, 2022 by the members of the Company through postal ballot. The Notice period is as per the respective resolutions passed for appointment of Managing Director/ Joint Managing Directors/Wholetime Director. However, no severance fee is payable to them.

5. Corporate Social Responsibility Committee

As required under the Companies Act, 2013 ("Act"), the Corporate Social Responsibility ("CSR") Committee was constituted consisting of Shri Madhu Sudhan Bhageria as the Chairman, Shri Purrshottam Bhaggeria, Shri Madhav Bhageria and Smt. Pallavi Joshi Bakhru, as members.

During the financial year ended March 31, 2024, there was one meeting of the Committee held on August 04, 2023.

The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
04-08-2023	3

6. Risk Management Committee

The Risk Management Committee (constituted on July 27, 2021) consists of three Directors namely, Shri Madhu Sudhan Bhageria, Chairman & Managing, Smt. Pallavi Joshi Bakhru, Independent Director & Shri Ashok Chauhan, Executive Director and one senior executive, Mr. Rajiv Kumar Kasturia, President (Marketing) of the Company. Shri Madhu Sudhan Bhageria will be Chairman of the Risk Management Committee.

During the financial year ended March 31, 2024, there were two meetings of the Committee held on July 20, 2023 and January 15, 2024.

The attendance of the said meeting is as under:

Date of Meeting	No. of Members present
20.07.2023	4
15.01.2024	4

7. Stakeholders Relationship Committee

For effective and efficient shareholders services, the Company has a Stakeholders Relationship Committee. The Committee comprises of Shri Suraj Parkash Setia & Shri Swarup Chandra Parija, Independent Directors and Shri Purrshottam Bhaggeria, Joint Managing Director of the Company. Shri Suraj Parkash Setia is the Chairman of the Committee. Amongst the other functions, the Committee looks into redressal of Shareholders complaints like non-transfer of Shares, non-receipt of Balance Sheet, non-receipt of Dividends etc as required pursuant to Regulation 20 of the Listing Regulation.

The Company attends to Investors' Grievances/ correspondences expeditiously and all efforts are made to reply immediately. The Committee oversees the performance of the Registrar and Transfer Agent and recommends measures for overall improvement in the quality of investors' services.

During the year ended March 31, 2024, there was one complaint pending at the beginning of the year, was resolved to the satisfaction of the shareholders. During the Financial Year ended March 31, 2024, the Company has not received any complaint. There was Nil complaint pending as at the year end. There were no share transmissions pending for registration as on March 31, 2024.

The Company has also adopted a Code of Conduct for Prevention of Insider Trading in the Shares of the Company, pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Name and designation of Compliance Officer

Mr. Raman Kumar Jha, Company Secretary

8. General Body Meetings

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	Whether Special Resolution passed
2020-21	Held through Online	September 24, 2021	11.00 A.M.	Yes
2021-22	Held through Online	September 27, 2022	4.00 P.M.	Yes
2022-23	Held through Online	September 27, 2023	4.00 P.M.	No

No Extra Ordinary General Meeting of Shareholders was held during the financial year 2023-24. No Special Resolution was passed by Postal Ballot in any of the aforesaid Annual General Meetings.

Postal Ballot

During the financial year 2023-24, the Company has not obtained any shareholders' approval through postal ballots. As on date there is no proposal to pass any resolution by postal Ballot.

9. Disclosures

(i) None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Note No. 46 of financial statement forming part of the Annual Report.

(ii) No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.

(iii) In preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are adopted have been set out in the Notes to Accounts forming part of the Annual Report.

(iv) In terms of the Section 177 of the Companies Act, 2013 and Listing Regulation, the Company has formulated the Whistle Blower policy/Vigil Mechanism. The Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English/Hindi/Gujarati and the same should be addressed to the Vigilance Officer of the Company or in exceptional cases, to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and whistle blower policy may be accessed on the Company's website www.filatex.com.

(v) Policy for determining 'material' subsidiaries and policy on dealing with related party transactions may be accessed on the Company's website www.filatex.com.

(vi) During the financial year ended March 31, 2024, no amount has been raised through preferential allotment & qualified institutions placement.

(vii) The Company is aware of the risks associated with the business. It has laid down Risk Management Policy to inform Board members about the risk assessment and minimization procedures quarterly. It regularly analyses and takes corrective actions for managing/mitigating the same. The Company's Risk management framework ensures compliance with the provisions of Regulation 17(9) of the Listing Regulation and has institutionalized the process for identifying, minimizing and mitigating risks which is periodically reviewed. Some of the risks identified and been acted upon by your Company are: Securing critical resources; ensuring sustainable plant operations; ensuring cost competitiveness including logistics; completion of CAPEX; Foreign Exchange fluctuation, maintaining and enhancing customer service standards and resolving environmental and safety related issues.

(viii) During the year under review, the Company has not received any complaint under the Anti Sexual Harassment Policy.

(ix) Total fee/charge paid to the Statutory Auditors during the financial year ended March 31, 2024, ₹ 30.84 Lakhs (please refer Note no. 43 of Financial statement ended March 31, 2024).

(x) The Company has complied with all mandatory requirements set out in the Listing Regulation.

10. Means of Communication

The Company publishes its quarterly/half yearly/annual results, amongst others, in Financial Express/The Business Standard all edition and Gujarat Mitra (Gujarati) circulating in Dadra & Nagar Haveli where the Registered Office of the Company is situated. The same together with shareholding pattern and any other significant development/ announcement is submitted to the Stock Exchanges and uploaded on the Company's website: www.filatex.com. The Company is not making any official releases and not sending half yearly report to the shareholders, as it is not a mandatory requirement.

The presentations giving an analysis of the performance of the Company are placed on the Company's website for the benefit of the institutional investors, analysts and other shareholders regarding the financial results which are communicated to the Stock Exchanges.

Management Discussion and Analysis Report forms part of the Annual Report, which is posted to the shareholders of the Company.

11. Code of Conduct for Directors & Senior Management Personnel

The Board has adopted a Code of Conduct for observance by Directors and Senior Management Personnel to ensure ethical conduct in performance of their duties.

The Code has been circulated to all the Directors and Senior Management Personnel and they have affirmed compliance of the same. A declaration in this regard signed by Managing Director of the Company is given at the end of this Report.

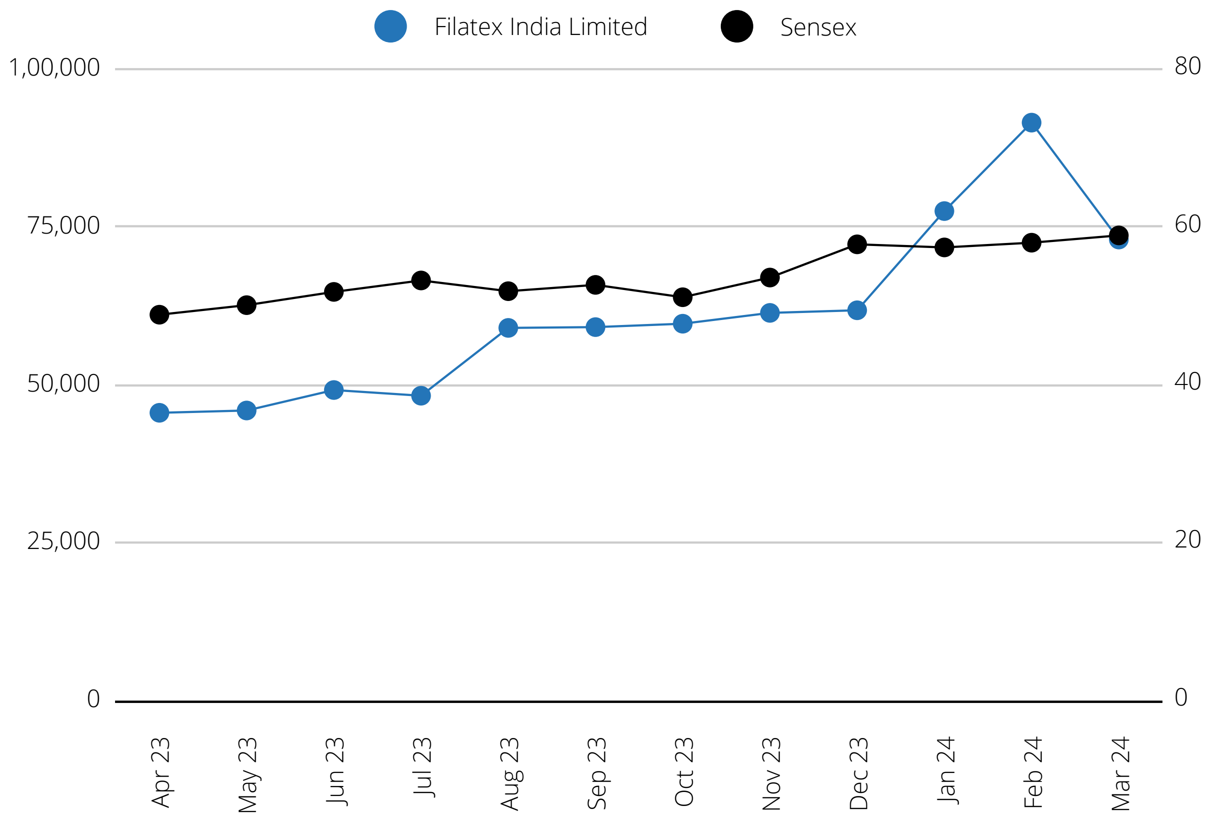
12. Shareholder's Referencer

12.1	**Annual General Meeting:**	
	- Date and Time	Please refer to AGM Notice
	- Venue	Survey No. 274, Demni Road, Dadra - 396193 (U.T. of Dadra & Nagar Haveli)
12.2	**Financial Calendar (tentative):**	Results for the quarter ending June 30, 2024 on or before August 14, 2024
		Results for the quarter/half year ending September 30, 2024 on or before November 14, 2024
		Results for the quarter ending December 31, 2024 on or before February 14, 2025
		Results for the quarter/year ending March 31, 2025 on or before May 30, 2025
12.3	**Book Closure Date:**	As in the AGM Notice
12.4	**Dividend Payment Date:**	Dividend will be paid within 30 days of ensuing AGM
12.5	**Listing of Equity Shares on Stock Exchanges at:**	BSE & NSE. Annual Listing fee for the year 2024-25 has been paid to the above Stock Exchanges
12.6	**Stock Code:**	
	(a) Trading Symbol at	Bombay Stock Exchange Limited - 526227 National Stock Exchange of India Limited - FILATEX
	(b) Present ISIN of Equity Shares	INE816B01035

12.7 Stock Market Data:

Monthly High & Low price of the Equity Shares of the Company for the year 2023-24 based upon BSE Price data in comparison to BSE Sensex is given below:

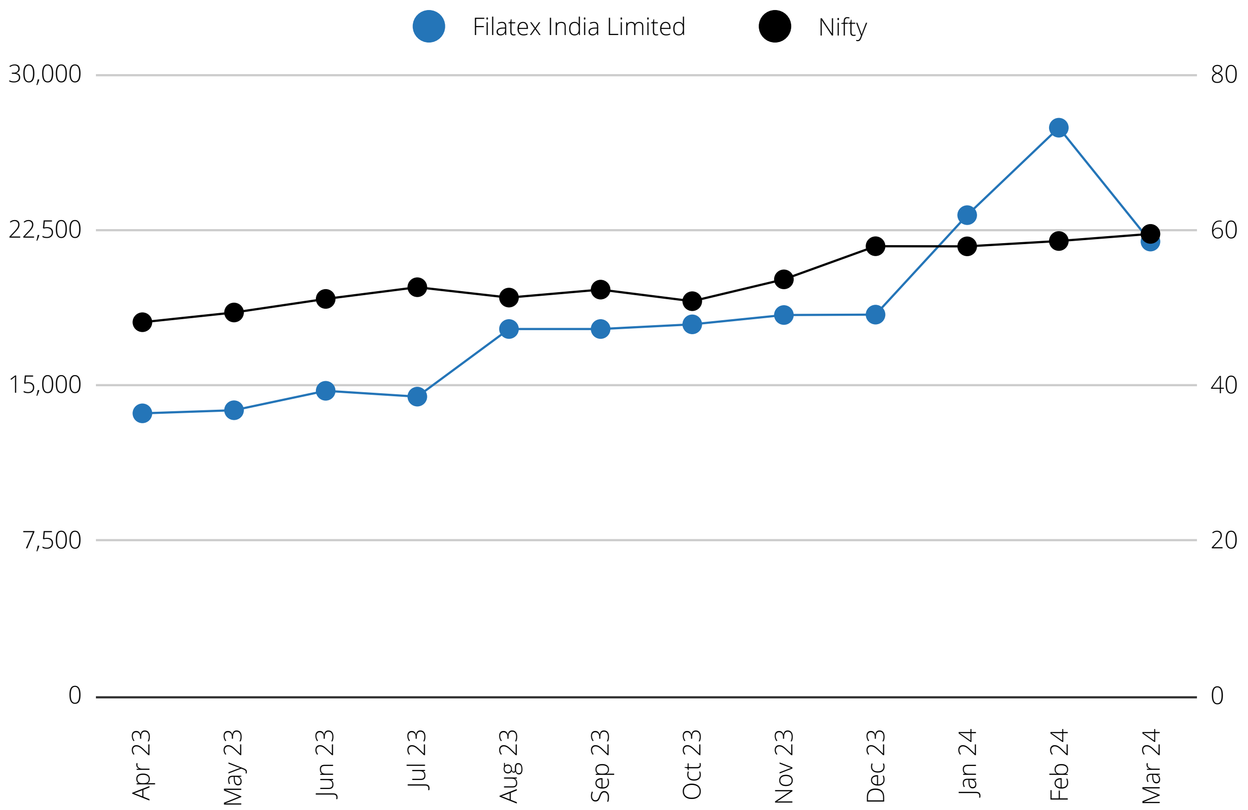
Month	High		Low	
	Share Price	Sensex	Share Price	Sensex
April 2023	39.54	61,209	32.56	58,793
May 2023	42.34	63,036	36.05	61,002
June 2023	41.84	64,769	36.51	62,359
July 2023	41.35	67,619	37.45	64,836
August 2023	50.88	66,658	38.55	64,724
September 2023	50.50	67,927	43.70	64,818
October 2023	54.60	66,592	45.19	63,093
November 2023	55.10	67,070	45.21	63,550
December 2023	51.25	72,484	44.02	67,149
January 2024	64.64	73,428	48.24	70,002
February 2024	78.00	73,414	58.39	70,810
March 2024	74.20	74,245	50.44	71,674



Note: Sensex V/s Closing Share Price on the last trading day of the Month

Monthly High & Low price of the Equity Shares of the Company for the year 2023-24 based upon NSE Price data in comparison to Nifty is given below:

Month	**High**		**Low**	
	Share Price	**Nifty**	**Share Price**	**Nifty**
April 2023	39.95	18,089	32.60	17,313
May 2023	42.40	18,662	36.25	18,042
June 2023	41.90	19,202	36.55	18,465
July 2023	41.45	19,992	37.60	19,234
August 2023	50.95	19,796	38.50	19,224
September 2023	50.60	20,222	43.55	19,256
October 2023	55.00	19,850	45.20	18,838
November 2023	55.20	20,159	45.40	18,974
December 2023	51.30	21,801	44.95	20,184
January 2024	64.60	22,124	48.20	21,137
February 2024	78.00	22,298	58.50	21,530
March 2024	74.30	22,527	49.70	21,710



Note: Nifty V/s Closing Share Price on the last trading day of the Month

12.8	**Registrar and Transfer Agents:**	All the works relating to the share registry for the shares held in the physical form as well as the shares held in the electronic form (Demat) are being done by MCS Share Transfer Agent Limited at the following address: MCS Share Transfer Agent Limited F-65, Okhla Industrial Area Phase-I, New Delhi- 110020 Tel: 011-41406148 Fax: 011-41709881 E-mail ID: admin@mcsregistrars.com **Note:** Shareholders holding shares in electronic mode should address all correspondence to their respective Depository Participants.
12.9	**Share Transfer System:**	The Share Transfers in physical form are registered and returned to the respective shareholders within a period of 15 days from the date of receipt, subject to the documents lodged for transfer being valid in all respects. The Stakeholders' Relationship Committee meets to discuss the shareholders' grievances/ other matters.

12.10 Distribution of Shareholding according to categories of Shareholders:

Sr. No.	Category	March 31, 2024	
		No. of Shares	**% to total**
1.	**Promoters Holding**		
	Promoter Group	28,74,34,472	64.76
2.	**Institutional Investors**		
	Alternate Investment Funds	3,50,000	0.08
	Insurance Companies	1,00,77,632	2.27
	Banks	1,010	0.00
	Foreign Portfolio Investors - **Category I**	2,55,50,368	5.76
	Foreign Portfolio Investors - **Category II**	7,98,950	0.18
3.	**Others**		
	Bodies Corporate	1,47,38,470	3.32
	Resident Individuals holding nominal share capital up to ₹ 2 Lakhs	4,77,76,233	10.76
	Resident Individuals holding nominal share capital in excess of ₹ 2 Lakhs	2,23,27,974	5.03
	Directors and their relatives (excluding Independent Directors)	9,58,872	0.22
	Key Managerial Personnel	44,000	0.01
	NRIs	13,18,707	0.30
	Clearing Members	2	0.00
	Hindu Undivided Families	72,64,721	1.64
	IEPF	17,16,465	0.39
	LLP	2,34,95,124	5.29
	Trust	2,500	00
	TOTAL	**44,38,55,500**	**100.00**

Distribution of Shareholding as on March 31, 2024 according to Size:

Range	Shareholders		Shares	
No. of Shares (Value)	**Number**	**% to total holders**	**Number**	**% to total Capital**
Upto 5,000	64,161	97.373	2,37,92,554	5.360
5,001 10,000	817	1.240	63,91,472	1.440
10,001 20,000	398	0.604	58,91,718	1.327
20,001 30,000	155	0.235	39,50,030	0.890
30,001 40,000	75	0.114	26,86,327	0.605
40,001 50,000	79	0.120	37,10,645	0.836
50,001 1,00,000	90	0.137	67,46,987	1.520
1,00,001 and above	117	0.178	39,06,85,767	88.021
Total	**65892**	**100**	**44,38,55,500**	**100**

12.11	**Dematerialization of Shares:**	The shares of the Company are traded in compulsory dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).
	Share Dematerialization record:	As on March 31, 2024, 44,32,01,924 Equity Shares were in dematerialized form which represents 99.85% of the paid up share capital.
12.12	**Outstanding GDR/ ADRs/Warrants or any Convertible Instruments, conversion dates and likely impact on Equity:**	N.A.
12.13	**Commodity price risk or foreign exchange risk and hedging activities:**	The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices. The Company's reputation for quality, products differentiation coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods. The Company takes forward cover in respect of its major foreign currency exposure such as for imports, repayment of borrowings & interest thereon denominated in foreign currency and export receivables. The Company at present is not dealing in commodities and therefore there is no hedging activity as of now. As and when the Company will deal in commodities, Company will make proper disclosure in the required format regarding commodity price risk and its hedging activities in terms of SEBI Circular dated November 15, 2018.
12.14	**Plant Location:**	1. Survey No.274, Demni Road, Dadra-396 193 (U.T. of Dadra & Nagar Haveli)
		2. Plot No. D-2/6, Jolva Village PCPIR, Dahej-2 Industrial Estate GIDC, Distt. Bharuch Gujarat-392130
12.15	**Address for Investor Correspondence:**	MCS Share Transfer Agent Limited F-65, Okhla Industrial Area, Phase-I, New Delhi - 110020 Tel: 011-41406148 Fax: 011-41709881 E-mail ID: admin@mcsregistrars.com
		Members can also contact: The Company Secretary Filatex India Limited 43, Community Centre, New Friends Colony, New Delhi - 110 025 E-mail ID: shares@filatex.com Shareholders are requested to quote their Folio Nos./DP Id/Client Id, No. of Shares held and address for prompt reply

13. Senior Management Personnel of the Company are as under

Name of Senior Management Personnel	Designation
Mr. Madhav Bhageria	Joint Managing Director & CFO
Mr. Vyanu B. Vyas	Chief Operating Officer and Dahej Plant Head
Mr. Rajiv Kumar Kasturia	President (Marketing)
Mr. Jay Prakash Singh	Assistant Vice President (Marketing)
Mr. Nitin Agarwal	Vice President (Finance)
Mr. Raman Kumar Jha	Company Secretary
Mr. Damodar Vyas	Chief General Manager (HR & Admin – Dadra Plant) Retired on 29.06.2024

There is no change in the Senior Management Personnel of the Company during the financial year ended March 31, 2024.

14. Disclosure of certain types of agreements binding listed entities

There is no agreement (which is binding to the Company) which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III to the Listing Regulations.

15. Directors Retiring By Rotation/Appointment/Reappointment Of Directors

Details of Directors retiring by rotation and reappointment of directors at the ensuing Annual General Meeting are given in the Explanatory Statement to the Notice of the AGM.

16. Credit Rating

CARE Ratings Ltd, on November 09, 2023, has reaffirmed Credit Rating in respect of Company's Long Term Bank Facilities as under:

Facilities	Amount (₹ in Crores)	Rating
Long term Bank Facilities	275.14 (Reduced from 301.94)	CARE A+; Stable (Single A Plus; Outlook: Stable)
Long Term/Short Term Bank Facilities	1,000.00 (Enhanced from 989.14)	CARE A+; Stable/CARE A1+ (Single A Plus; Outlook: Stable/A One plus)
Total Facilities	1,275.14 (Rupees One Thousand Two Hundred Seventy Five Crores and Fourteen Lakhs only)	

On our request, CARE Ratings Limited has withdrawn above Credit Ratings assigned to the Company with effect from July 05, 2024.

India Ratings & Research Private Limited, A Fitch Group Company, has assigned, on June 11, 2024, the Credit Rating in respect of Company's Bank Facilities which are as under:

Instrument Type	Size of Issue (Millions)	Rating assigned along with Outlook/Watch
Fund-based working capital facilities*	INR 1,480	IND AA-/Stable/IND A1+
Non-fund based working capital facilities	INR 2,000	IND A1+
Non-fund based working capital facilities	INR 6,500	IND AA-/Stable/IND A1+
Term loan	INR 240	IND AA-/Stable

*One-way interchangeability from fund-based to non-fund based working capital facilities.

17. A certificate has been received from M/s Siddiqui & Associates Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

18. CEO/CFO Certification

In terms of Regulation 17(8) of the Listing Regulation, Managing Director and Chief Financial Officer of the Company have submitted a certificate certifying various covenants about financial/cash flow statements, internal controls, financial reporting etc. in respect of Accounts for the year ending March 31, 2024 to the Board of Directors.

19. Non-Mandatory Items

The Company has not adopted any non-mandatory requirements as mentioned in the Listing Regulation.

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman and Managing Director
DIN: 00021934

Place: New Delhi
Date: August 08, 2024

DECLARATION

I, Madhu Sudhan Bhageria, Managing Director of the Company do hereby declare that all the Directors of the Company and Senior Management personnel have affirmed compliance with the Code of Conduct adopted by the Company for the financial year ended March 31, 2024.

Place: New Delhi
Date: July 31, 2024

Madhu Sudhan Bhageria
Chairman and Managing Director

Certificate of Non-Disqualification of Directors

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

To,
The Members,
Filatex India Limited
S. No. 274, Demni Road,
Dadra - 396193
U.T. of Dadra & Nagar Haveli.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Filatex India Limited** having **CIN: L17119DN1990PLC000091** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Directors	Designation	DIN	Date of Appointment in the Company
1.	Mr. Madhu Sudhan Bhageria	Managing Director	00021934	30.07.2003
2.	Mr. Purrshottam Bhaggeria	Whole-Time Director	00017938	30.07.2003
3.	Mr. Madhav Bhageria	Whole-Time Director	00021953	30.07.2003
4.	Mr. Suraj Parkash Setia	Independent Director	00255049	30.07.2003
5.	Mr. Swarup Chandra Parija	Independent Director	00363608	30.07.2003
6.	Mr. Rajender Mohan Malla	Independent Director	00136657	27.07.2022
7.	Ms. Pallavi Joshi Bakhru	Independent Director	01526618	20.09.2013
8.	Mr. Ashok Chauhan*	Whole-Time Director	00253049	12.02.2014

*Mr. Ashok Chauhan ceased to be Director with effect from April 30, 2024.

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

For Siddiqui & Associates
Company Secretaries

K. O. Siddiqui
FCS: 2229; CP: 1284
UDIN: F002229F000700608
Peer Review Certificate No.: 2149/2022
Firm Registration No.: S1988DE004300

Place: New Delhi
Date: July 09, 2024

Secretarial Auditors' Certificate on Corporate Governance

To the Members of **Filatex India Limited**

We have examined the compliance of conditions of Corporate Governance by **Filatex India Limited** for the year ended **March 31, 2024** as stipulated in the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Siddiqui & Associates
Company Secretaries

K. O. Siddiqui
FCS: 2229; CP: 1284
UDIN: F002229F000700641
Peer Review Certificate No.: 2149/2022
Firm Registration No.: S1988DE004300

Place: New Delhi
Date: July 09, 2024

Annexure - C

FORM NO. MR-3

Secretarial Audit Report

For the Financial Year ended March 31, 2024

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

To,
The Members,
Filatex India Limited
S. No. 274, Demni Road,
Dadra - 396193
U.T. of Dadra & Nagar Haveli.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Filatex India Limited** having **CIN: L17119DN1990PLC000091** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Filatex India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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 **Filatex India Limited** for the financial year ended on **March 31, 2024** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

   The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI & ODI during the period.

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

      Not applicable to the Company for the year under review

   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;

      To the extend applicable to the Company under review

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

      Not applicable to the Company during the Audit Period

   h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

      Not applicable to the Company during the Audit Period

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have also examined compliance with the applicable clauses of the following:

   o The Secretarial Standards issued by the Institute of Company Secretaries of India as notified of Corporate Affairs from time to time;

   o The Listing Agreements entered into by the Company with The National Stock Exchange of India Limited (NSE Limited) and The Bombay Stock Exchange Limited (BSE Limited).

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

We further report that, 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 Company has complied with the following laws applicable specifically to the Company:

- The Textile Committee Act, 1963;
- Petroleum Act, 1934 and Rules made thereunder;

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions of the Board and Committees of Board have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

For Siddiqui & Associates
Company Secretaries

K. O. Siddiqui
FCS: 2229; CP: 1284
UDIN: F002229F000700553
Peer Review Certificate No.: 2149/2022
Firm Registration No.: S1988DE004300

Place: New Delhi
Date: July 09, 2024

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

ANNEXURE – A

To,
The Members,
Filatex India Limited
S. No. 274, Demni Road,
Dadra - 396193
U.T. of Dadra & Nagar Haveli.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on the random 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 followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

6. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Siddiqui & Associates
Company Secretaries

K. O. Siddiqui
FCS: 2229; CP: 1284
UDIN: F002229F000700553
Peer Review Certificate No.: 2149/2022
Firm Registration No.: S1988DE004300

Place: New Delhi
Date: July 09, 2024

Annexure - D

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

a)	Name(s) of the related party and nature of relationship	Not applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

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

a)	Name(s) of the related party and nature of relationship	Not applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman and Managing Director
DIN:00021934

Place: New Delhi
Date: August 08, 2024

Annexure - E

REPORT ON CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rule, 2014.

A) Conservation of Energy

1. Energy conservation measures taken:

The company continues to evaluate and carry out all viable options for reducing energy consumption. We have been improving efficiency through adoption of new technology and optimization of process. Some of initiatives undertaken by Company to conserve energy include:

Electrical – Conservation of Energy during Year-2023-24

- **Lightings power conservation:** All plant lighting voltage reduced from 415V to 380V, All Street lights & high mast illumination have been converted on LED lighting. The inside plant area has been changed to 100% LED lights for power saving as well as better illumination in production areas. This has helped us achieve around 8% saving in lighting unit energy consumption.

- **Motors & LED lights:** We have opted to super Efficiency class IE-3 induction motors which have better efficiency thereby consuming less energy.

Utility – Conservation of Energy during Year-2023-24

- **Waste heat recovery:** We have installed 2 new Waste heat recovery boilers in our existing Thermic fluid heaters. To use its steam, we have converted 3 exhaust gas fired VAM chillers available with us. Steam so available from waste heat recovery boilers is utilised in the modified VAM. We are generating 425 TR refrigeration. This has reduced the load on electrical chiller up to 252 KW (Considering 0.6 Kw/TR) & saving 6,050 KWH per day.

- **Air Handling Units:** In Bright CP plant we have replaced chilled water-cooling coil of AHU.

  The new AHU coil has better transfer, thereby reducing chilled water requirement. Besides this it has helped in reducing airflow supply.

- **Cooling tower:** After installation of ES1 in bright CP line to capture the heat of vapors emitting from Bright CP reactor, a new VAM has been installed which is generating 850 TR of refrigeration. A new cooling tower has been installed to cool the circulating water.

2. Steps taken by the Company for utilizing alternative source of energy:

Sunlight is one of our planet's most abundant, clean, and freely available energy resources. The company is generating clean energy from its 1.4 MW grid-connected Solar Photovoltaic (PV) plant on the rooftop. The company entered into a contract for 11 MW hybrid power (Solar + Wind) in a third-party agreement and it has resulted into considerable saving in energy cost.

The capital investment made by the Company on energy conservation equipments during FY 2023-24 is ₹ 182.79 Lakhs.

B) Technology Absorption

i. Efforts in brief made towards technology absorption, adaptation, and innovation - Not applicable

ii. Benefits derived because of the above efforts, e.g. Product improvement, cost reduction, product development, import substitution etc. - Not applicable

iii. In case of Imported Technology (Imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished - Not applicable

iv. Research and development:

a Specific areas in which Research and Development carried out by company

- We are developing our own technology for recycling of Polyester textile waste. After successful lab trials we have set up a pilot plant consisting of de-polymerization and polycondensation process. We have been carrying out trials on all sorts of PET waste and Textile waste and have produced first grade Polyester chips/yarns.

b Benefits derived because of the above research and development

- The need of the hour is to conserve energy and bring circular economy of all sorts of polyester waste. The Development of our patented technology is in process, and we expect to scale it up to a commercial scale to recycle the polyester waste back to fiber.

c Expenditure on research & development:

- Capital : ₹ 59.29 Lakhs
- Recurring : ₹ 186.11 Lakhs
- Total : ₹ 237.40 Lakhs

C) Foreign Exchange Earnings and Outgo (Cash Basis):

Foreign exchange earned: ₹ 4,199.22 Lakhs

Foreign exchange used: ₹ 1,51,535.91 Lakhs

For and on Behalf of the Board of Directors

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN: 0021934

Place: New Delhi
Date: August 08, 2024

Annexure - F

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014

i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for the financial year 2023-24 (₹ in Lakhs)	% increase/ (Decrease) in Remuneration in the financial year 2023-24	Ratio of Remuneration of each Director/to median Remuneration of Employees
1.	Shri Madhu Sudhan Bhageria Chairman & Managing Director	178.32	17.11%	64.14
2.	Shri Purrshottam Bhaggeria Joint Managing Director	166.81	17.91%	60.00
3.	Shri Madhav Bhageria Joint Managing Director & CFO	172.64	23.40%	62.10
4.	Shri Ashok Chauhan Whole-Time Director	45.00	1.35%	16.19
5.	Shri Rajender Mohan Malla Non-Executive Independent Director	#	#	#
6.	Shri Swarup Chandra Parija Non-Executive Independent Director	#	#	#
7.	Shri Suraj Parkash Setia Non-Executive Independent Director	#	#	#
8.	Smt. Pallavi Joshi Bakhru Non-Executive Independent Director	#	#	#
9.	Shri Raman Kumar Jha Company Secretary	15.26	4.95%	N.A

The aforesaid amount does not include amount in respect of Gratuity, Leave encashment and fair value of ESOP as the same is not paid.

No remuneration only Sitting Fees Paid.

ii) The median remuneration of employees of the Company during the financial year was **₹ 2.78 Lakhs.**

iii) In the financial year, there was increase of 7.91% in the median remuneration of employees.

iv) There were **2,692 permanent employees** on the rolls of Company as on March 31, 2024.

v) Average percentage increase made in the salaries of employees other than the Key Managerial personnel in the last financial year, i.e. 2023-24 was **8.31%** whereas the increase in the managerial remuneration for the same financial year by **17.35%**. The increments given to employees are based on their potential, performance and contribution, which is benchmarked against applicable Industry norms. The managerial remuneration has increased because of increase in Commission as percentage of profit which is on contractual basis as per approved terms of remuneration.

vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details of Employees including Top ten employees pursuant to the provisions of Section 197(12) of the Companies Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

Sr. No.	Name and Designation	Remuneration (₹ in Lakhs)	Qualification	Date of Commencement of employment	Age in Years	Experiences in Years	Particulars of last Employment	% of Equity shares held
1	Mr. Madhu Sudhan Bhageria Chairman & Managing Director	178.32	B.Com (H)	30-Jul-2003	64	42	Chief Executive, Madhu Industries	8.54
2	Mr. Purrshottam Bhaggeria Joint Managing Director	166.81	MBA	30-Jul-2003	62	39	None	9.56
3	Mr. Madhav Bhageria Joint Managing Director & CFO	172.64	B.Com (H)	30-Jul-2003	60	37	None	9.71
4	Mr. Vyanu B. Vyas Chief Operating Officer	61.52	B.Tech, PGDM-Mgt & Mktg	11-Nov-2010	59	41	Aggarwal Indotex Ltd.	0.06
5	Mr. Rajiv Kumar Kasturia President (Marketing)	55.41	DHT - Tech	01-Feb-1994	59	36	Cosmo Synthetics Ltd.	0.11
6	Mr. Ashok Chauhan * Whole-Time Director	45.00	B.E (Mech), MBA	12-Feb-2014	73	51	JMD in Alchemist Group	0.15
7	Mr. Jay Prakash Singh Vice President (Marketing)	37.46	Diploma in Electronics and tele. Com Engineering	13-Aug-1998	54	31	Rajasthan Petro Synth. Ltd	-
8	Sriram Balsubrananiam Iyer Chief General Manager (Raw Material)	36.48	PGDM, B.Tech	07-May-2012	40	16	Garden Silk Mills Pvt. Ltd.	0.05
9	Mr. Sameer Bhupendra Vaidya General Manager (HR)	35.49	MBA- HR	01-Mar-2021	54	28	Bhilosa Ind Pvt. Ltd.	-
10	Mr. Sudhir Bhimrajka Chief General Manager (Accounts)	34.50	M.Com	01-May-1997	58	37	Kankariya Chemical Industries Limited	0.02

* Ceased to be director with effect from April 30, 2024. Presently, Mr. Ashok Chauhan is working as Chief Visionary Officer.

Notes:

1 The Remuneration received includes Salary, other allowances & Commission.

2 Mr. Madhu Sudhan Bhageria, Mr. Purrshottam Bhaggeria and Mr. Madhav Bhageria are only related to each other.

3 Employment of Mr. Madhu Sudhan Bhageria, Mr. Purrshottam Bhaggeria, Mr. Madhav Bhageria and Mr. Ashok Chauhan are on contractual basis.

For and on behalf of the Board of Directors

Madhu Sudhan Bhageria
Chairman and Managing Director
DIN:00021934

Place: New Delhi
Date: August 08, 2024

Business Responsibility and Sustainability Reporting

GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L17119DN1990PLC000091
2.	Name of the Listed Entity	Filatex India Limited
3.	Year of incorporation	1990
4.	Registered office address	S.No. 274, Demni Road, Dadra - 396193, U.T of Dadra & Nagar Haveli, India
5.	Corporate address	43, Community Center, New Friends Colony, New Delhi - 110025
6.	E-mail	secretarial@filatex.com
7.	Telephone	+91-11-26312503
8.	Website	www.filatex.com
9.	Financial year for which reporting is being done	April 01, 2023 to March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	NSE BSE
11.	Paid-up Capital	₹ 4,438.56 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Raman Kumar Jha Designation: Company Secretary E-mail: Secretarial@filatex.com Telephone: +91-9899285491
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The Disclosures made in this report are standalone basis.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
a)	Manufacturing of Man made Fibre	Manufacturer of Synthetic Partially Oriented Yarn, Draw Texturised Yarn, Fully Drawn Yarn, Polyester Chip and Narrow Woven Fabric	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

	Product/Service	NIC Code	% of total Turnover contributed
a)	Polyester Chips	22201	0.11%
b)	Polyester multifilament yarn	20203	98.17%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

	Location	Number of plants	Number of offices	Total
a)	National	2	3	5
b)	International	None	None	None

17. Markets served by the entity:

a) Number of locations

Locations	Number
National (No. of States & Union Territories)	20
International (No. of Countries)	17

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Export: 0.90%

c) A brief on types of customers

The Company's major clients include Yarn Spinners, Fabric Weavers and Knitters.

IV. Employees

18. Details as at the end of Financial Year:

Employees and Workers (including differently abled)

	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
			Employees			
1	Permanent	1,058	1,040	98.3%	18	1.70%
2	Other than Permanent	5	5	100%	-	-
3	**Total employees**	**1,063**	**1,045**	**98.3%**	**18**	**1.69%**
			Workers			
1	Permanent	1,634	1,634	100%	-	-
2	Other than Permanent	1,920	1,916	100%	4	0.2%
3	**Total employees**	**3,554**	**3,550**	**100%**	**4**	**0.1%**

Differently abled Employees and Workers

	Particulars	Total (A)	Male	(% of Total)	Female	(% of Total)
			Employees			
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	**Total employees**	**-**	**-**	-	**-**	-
			Workers			
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	**Total employees**	**-**	**-**	-	**-**	-

19. Participation/Inclusion/Representation of women:

	Total (A)	Female	(% of Total)
Board of Directors	8	1	12.50%
Key Management Personnel*	5	-	-

*Key Managerial Personnel are Whole-Time Directors and Company Secretary.

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years):

	FY24			FY23			FY22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23.34%	21.74%	23.31%	22.35%	15.79%	22.25%	24.15%	23.53%	24.14%
Permanent Workers	43.99%	-	43.99%	39.00%	-	39.00%	35.41%	-	35.41%

V.

21. Holding, Subsidiary and Associate Companies (including joint ventures):

	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
		N.A.		

VI.

22. CSR Details:

1	Whether CSR is applicable as per Section 135 of Companies Act, 2013	Yes
2	Turnover (in ₹ Lakhs)	4,28,590.31
3	Net worth (in ₹ Lakhs)	1,20,408.74

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If Yes, then provide web-link for grievance redress policy)	FY24			FY23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil		Nil	Nil	
Investors (other than shareholders)		Nil	Nil		Nil	Nil	
Shareholders		1	-	Resolved by the Team	12	1	Resolved by the Team
Employees and workers		Nil	Nil		Nil	Nil	
Customers		Nil	Nil		Nil	Nil	
Value Chain Partners		Nil	Nil		Nil	Nil	
Other (please specify)		Nil	Nil		Nil	Nil	

#The policies guiding Filatex conduct with all its stakeholders including grievance mechanism are available on the Company's website. The link to Policies: https://www.filatex.com/codes-policies

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Renewable Power	Opportunity	Undertake GHG emissions reduction initiatives through increased use of electricity from renewable sources and implement energy efficient measures across all facilities		Positive

24. Overview of the entity's material responsible business conduct issues: (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Air Eimissions	Risk	Emission beyond prescribed limits by the respective State Pollution Control Board (SPCB) may attract fines and penalties.	Ensure monitoring of all sources of air pollutants in Company's manufacturing locations. Undertake measures to reduce SOx, NOx and PM emissions	Negative
3	Waste Management	Opportunity	Reduce, Reuse and Re-cycle our waste		Positive
4	Innovation and Research & Development	Opportunity	Focused on continuous research & development of chemical recycling processes to reduce textile waste		Positive

MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions

	Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
	c. Web Link of the Policies, if available	All relevant policies are uploaded o the intranet site for information as well as implement by internal stakeholders. Further, policies on the Code of Conduct, CSR policy, Vigil policy, Quality Environment Health and Safety policy are also available on the website at https://www.filatex.com/codes-policies								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	N	N	N	N	N	N	N	N	N
4	Name of the national and international codes/ certifications/labels/standards adopted by your entity and mapped to each principle.	ISO 9001, ISO 14001, ISO 45001, OEKO-TEX STANDARD 100								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	We are in the process of creating specific goals with timelines.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								

Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Filatex, we strive to be a purposeful business – one that is responsible towards itself, its stakeholders and the external environment. We make incremental changes to our processes, work towards cost savings, use innovation to make our processes more efficient and contribute to the betterment of the environment and society. We believe it is imperative to focus efforts on sustainability in today's global scenario. It is no longer an option but a dire necessity for all businesses. Hence, our aim is to integrate environmental and social dimensions of sustainability into our core business strategy.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Madhu Sudhan Bhageria (Chairman & Managing Director)								
9	Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	The Board periodically monitor the financial, environmental, and social performance of the Company while addressing key risks and opportunities. The Company also has a Risk Management Committee which reviews entity-wide risks including ESG risks.								
10	Details of Review of NGRBCs by the Company:									
	Subject for Review	**Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee**								
	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	-	Y	Y
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	-	Y	Y
	Subject for Review	**Half-Yearly**								
	Performance against above policies and follow up action									
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances									
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No external assessment was conducted, However The Company conducts periodic review of the policies internally.								
12	If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	Filatex is a member of various industrial and trade bodies and plays a key role in advocating issues of the sector through them. It actively participates in industry forums and is also involved in supporting formulation of relevant policies. Though the organization does not have a stated policy on advocacy currently, it continues to follow and monitor the business and regulatory environment closely.								

PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Corporate Governance, complaint management, corporate social responsibility activities, regulatory compliances and updates.	100%
Key Managerial Personnel	4	Business, Strategy, Risk, BRSR, Code of Conduct, Information Security Awareness, Anti-Bribery and Anti-Corruption, Prevention of Sexual Harassment	100%
Employees other than BoD and KMPs	247	Various trainings pertaining to health, safety, behavioural, skill upgradation, management, operations, etc.	81%
Workers	236	Various trainings pertaining to health, safety, behavioural, skill upgradation, management, operations, etc.	77%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil				
Settlement	Nil				
Compounding fee	Nil				

Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil			
Punishment	Nil			

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed:

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

The code of conduct serves as a guiding policy to all the employees of the Company across all levels and grades. The Company's code of conduct is also applicable to all external stakeholders, suppliers, contractors etc., the Company follows zero tolerance on any acts of bribery, corruption etc. by such agencies during their dealings with the Company. The code is available on the Company's website: http://www.filatex.com/code-policies/. Additionally, as part of HR policy, the Company has framed/ circulated policies which deal with (i) Ethics at workplace; and (ii) restraining giving and receiving of gifts and other benefits during business relationship etc. These policies are applicable to the employees at all levels.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY24	FY23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY24		FY23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest:

N.A.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively:

	FY24	FY23	Details of improvements in environmental and social impacts
R&D	100%	100%	Chemical Recycling of Polyester in all forms
Capex	7.04%	0.26%	Capex incurred to reduce energy consumption.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

The Company strives to integrate social, ethical and environmental factors across the entire supply chain.We are in the process of developing a framework for sustainable sourcing across the portfolio.

In our continued efforts to increase the share of renewable power, the Company is procuring power from an ISTS solar power project in Rajasthan and from a hybrid wind-solar power prject in Gujarat.

b. If yes, what percentage of inputs were sourced sustainably?

Not applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste:

The Company does not have any specific product to reclaim at the end of life. However, at the plant sites, there are system in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of manufacturing.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No):

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The Company is following all the guidelines as per ERP.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
Permanent employees											
Male	1,040	1,040	99.42%	1,040	100%	-	-	7	0.67%	-	-
Female	18	18	100%	18	100%	1	5.56%	0	-	-	-
Total	**1,058**	**1,058**	**99.43%**	**1,058**	**100%**	**1**	**0.09%**	**7**	**0.66%**	**-**	**-**
Other than Permanent employees											
Male	5	5	100%	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**5**	**5**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)	Number (B)	% (B/A)
Permanent workers											
Male	1,634	1,634	100%	1,634	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	**1,634**	**1,634**	**100%**	**1,634**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**
Other than Permanent workers											
Male	1,916	-	-	1,916	100%	-	-	-	-	-	-
Female	4	-	-	4	100%	-	-	-	-	-	-
Total	**1,920**	**-**	**-**	**1,920**	**100%**	**-**	**-**	**-**	**-**	**-**	**-**

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY24			FY23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98.58%	100%	Yes	98.50%	100%	Yes
Gratuity	100%	100%	No	100%	100%	No
ESI	-	-	Yes	0.30%	-	Yes
NPS	1.98%	-	Yes	1.90%	-	Yes
Superannuation	-	-	N.A.	-	-	N.A.

3. Accessibility of workplaces:

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is in the process of equipped with the necessary accessibility provisions at workplace.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:

The Code of Conduct recognises the importance of treating everyone with fairness, respect and dignity. It expects everyone to act in a way that is consistent with our sense of fairness and equal opportunity.

5. Return to work and Retention rates of permanent employees and workers, that took parental leave:

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	N.A.	N.A.
Female	100%	100%	N.A.	N.A.
Total	**100%**	**100%**	**N.A.**	**N.A.**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:

	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	We have grievance redressal policy
Other than Permanent Workers	Yes	We have grievance redressal policy
Permanent Employees	Yes	We have grievance redressal policy
Other than Permanent Employees	Yes	We have grievance redressal policy

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Not applicable to us as we have no union

Category	FY24			FY23		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	FY24					FY23				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (B)	% (B/A)		No. (B)	% (B/A)	No. (B)	% (B/A)
Employees										
Male	1,040	960	92%	839	81%	982	780	79.43%	740	75.36%
Female	18	9	50%	9	50%	18	11	61.11%	10	55.56%
Total	**1,058**	**969**	**92%**	**848**	**80%**	**1,000**	**791**	**79.10%**	**750**	**75.00%**
Workers										
Male	1,634	1634	100%	1380	84%	1501	1501	100%	1318	80.66%
Female	-	-	-	-	-	-	-	-	-	-
Total	**1,634**	**1634**	**100%**	**1380**	**84%**	**1,501**	**1501**	**100%**	**1318**	**80.66%**

9. Details of performance and career development reviews of employees and worker:

Category	FY24			FY23		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees						
Male	1,040	1,040	100%	982	982	100%
Female	18	18	100%	18	18	100%
Total	**1,058**	**1,058**	**100%**	**1,000**	**1,000**	**100%**
Workers						
Male	1,634	1,634	100%	1501	1501	100%
Female	-	-	-	-	-	-
Total	**1,634**	**1,634**	**100%**	**1,501**	**1,501**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?

Yes. Occupational health and safety management system has been implemented by the entity. Filatex is ISO 45001:2018 accredited for Occupational Health and Safety (OH&S) Management and has designed and maintained an OH&S system as well as developed its own 'Occupational Health and Safety Policy' to meet the standards.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

In accordance with ISO 45001:2018, the Company conducts weekly safety meetings with plant heads and section heads to review and discuss safety measures for a safe working culture and ZERO risk operations.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has processes for workers to report work related hazards and to remove themselves from such risk.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY24	FY23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	3	4
	Workers	12	16
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Safety & Health procedure implemented as per ISO 45001:2018 (Occupational Health and Safety Management System)

13. Number of Complaints on the following made by employees and workers:

	FY24			FY23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	N.A.	-	-	N.A.
Health & Safety	-	-	N.A.	-	-	N.A.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

All identify unsafe conditions are reviewed in regular safety committee meetings.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company aims to meet the expectations of its stakeholders that include shareholders, consumers, employees, suppliers, and various service providers. The Company understands the needs of its stakeholders and develops action plans to fulfill them while achieving its business goals. The Company also has in place an investor grievance redressal system, a consumer complaint redressal system, and various other committees to protect the interest of all the stakeholders. It discloses all the relevant information about its products, business, financial performance, and other statutory information on the website of the Company to ensure effective stakeholder engagement.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	Circulars and messages from Corporate and line management, Welfare initiatives for employee and their families, Training and Skill Development Emails	Regularly	Employees' growth and benefits, their expectation, career growth, professional development and skill training
Customers	No	Business Interactions, Customer Satisfaction Surveys	Regularly	Resolution of Customer Complaints, Quality and Safety Details, New products offerings, Feedback, Challenges
Suppliers/ Contractors	No	Business interactions	Regularly	Business opportunities, Quality of raw materials, Supplier evaluation programme, Materials management and schedule, Issues faced by Company/ suppliers, supply chain issue
Community	No	Engagement for improving health awareness and participation in various social/ religious events.	Regularly	Social concerns in the region, Local employment, Partnership with local NGOs for servicing wider set of local communities, Local infrastructure development, and other necessary support
Shareholders & Investors	No	Press Releases, Quarterly Results, Annual Reports, AGM (Shareholders interaction), Stock Exchange Fillings, Corporate Website and Email	As and when required	Financial and non-financial performance, Corporate Governance
Government & regulatory Bodies	No	Press release, quarterly results, Annual Reports, sustainability/ stock exchange fillings, issue specific fillings, representations	As and when required	Compliance requirements, Rules and regulations, Industry representation on key matters

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY24			FY23		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,058	1,058	100%	1,000	1,000	100%
Other than permanent	5	5	100%	4	4	100%
Total Employees	1,063	1,063	100%	**1,004**	**1,004**	**100%**
Workers						
Permanent	1,634	1,634	100%	1,501	1,501	100%
Other than permanent	1,920	1,920	100%	1,920	1,920	100%
Total Workers	3,554	3,554	100%	**3,421**	**3,421**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY24					FY23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,058	-	-	1,058	100%	**1,000**	-	-	**1000**	**100%**
Male	1,040	-	-	1,040	100%	982	-	-	982	100%
Female	18	-	-	18	100%	18	-	-	18	100%
Other than Permanent	5	-	-	5	100%	**4**	-	-	**4**	**100%**
Male	5	-	-	5	100%	4	-	-	4	100%
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	1,634	-	-	1,634	100%	**1,501**	-	-	**1,501**	**100%**
Male	1,634	-	-	1,634	100%	1501	-	-	1501	100%
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	1,920	-	-	1,920	100%	**2,390**	-	-	**2,390**	**100%**
Male	1,916	-	-	1,916	100%	2381	-	-	2381	100%
Female	4	-	-	4	100%	9	-	-	9	-

3. Details of remuneration/salary/wages, in the following format:

(₹ In Lakhs)

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Annual)	Number	Median remuneration/ salary/wages of respective category (Annual)
Board of Directors (BoD)*	4	172.64	-	-
Key Managerial Personnel	1	15.26	-	-
Employees other than BoD and KMP	1,035	4.04	18	4.20
Workers	1,634	1.99	-	-

*Non-Executive Independent Director receive a fee for attending the meeting and Non-Executive Non- Independent Director do not receive any remuneration, thus not included above.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The grievances related to human rights are submitted to the Human Resources Department who follow the grievance redressal policy.

6. Number of Complaints on the following made by employees and workers:

Category	FY24			FY23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company firmly believes in upholding and promoting human rights. Human Rights are protected under Code of Business Conduct, Whistle Blower Policy, Works Committee, Anti - Sexual Harassment Policy, Labor, and Employee Welfare Policies.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced/involuntary labour	-
Sexual harassment	-
Discrimination at workplace	-
Wages	-
Others – please specify	-

No third-party assessment was carried out in manufacturing plants and offices on child labour, sexual harassment, etc. However, in Filatex, there is zero tolerance towards any such kind of issue.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY24	FY23
Total electricity consumption (A)	11,45,674.66	11,39,863.53
Total fuel consumption (B)	22,39,759.96	21,96,681.91
Energy consumption through other sources (C)	1,47,580.26	8,593.71
Total energy consumption (A+B+C)	35,33,014.89	33,45,139.15
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.00008243	0.00007772
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Energy audits wer undertaken by M/S Subodh Energy Services & M/s Nainesh Energy Audit.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY24	FY23
Water withdrawal by source (in kilolitres)	-	-
(i) Surface water	-	-
(ii) Groundwater	42,276	46,405
(iii) Third party water	6,62,631	6,31,138
(iv) Seawater/desalinated water	-	-
(v) Others (ETP Recycled Water)	4,30,755	2,64,676
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	11,35,662	9,42,219
Total volume of water consumption (in kilolitres)	11,35,662	9,42,219
Water intensity per rupee of turnover (Water consumed/turnover)	0.00002650	0.00002189
Water intensity (optional) – the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, we have a machanism for Zero Liquid Discharge in place. We have installed Effluent Treatment Plants with RO systems and have Evaporation Processes in place.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY24	FY23
NOx	micro gram/m3	30.10	42.10
SOx	micro gram/m3	30.10	33.30
Particulate matter (PM)	micro gram/m3	51.80	114.00
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Others – Carbon Monoxide	micro gram/m3	0.11	0.11

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Air audit was undertaken by Aryan Eco Green Pvt. Ltd.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY24	FY23
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) (Metric tonnes of CO2 equivalent)		10,537.82	3,959.22
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) (Metric tonnes of CO2 equivalent)		1,05,325.69	2,62,243.60
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000002703	0.000006185
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Company is sourcing Hybrid Wind Solar Power from a reputed power company in Gujarat	Electrical Saving + Reduction of GHG
Installation of new Electrostatic Precipitators (ESP) in Thermic Fluid Heaters	Reduction of GHG
Consumption of Lower GCV Ash in our Boilers for generating power	Coal Saving
Using super Efficiency class IE-3 induction motors to get Improved efficiency	Electrical Saving
LED lights replacement for power saving as well as better illumination in power plant	Electrical Saving
Replacing Reciprocating Compressor with 2.5 Bar Centrifugal Air Compressor	Electrical Saving
Installing new Waste Heat Recovery Boilers in Thermic Fluid Heaters to Generate Steam for running VAM Chillers	Electrical Saving
New Project for Rain Water Harvesting Commissioned	Water Saving
Converted 03 Nos of Exhaust Fired VAM to Steam Fired VAM	Electrical Saving

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY24	FY23
Total Waste generated (in metric tonnes)		
Plastic waste (A)	715.27	775.94
E-waste (B)	6.43	1.94
Bio-medical waste (C)	0.02	0.30
Construction and demolition waste (D)	-	-
Battery waste (E)	2.55	5.70
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	112.75	140.61
ETP Sludge	51.78	36.85
Used Oil	60.97	103.76
Other Non-Hazardous waste. Please specify, if any. (G)	15,432.00	17,817.64
Fly Ash	3,560.91	5,621.06
Metal Waste	162.93	481.59
Other	115.95	133.35
Packing Waste	3,716.24	3,346.46
PTA Waste	20.07	65.06
Vechile/Forklift	-	4.29
Waste (POY/FDY/DTY/POLY/PP)	7,855.90	8,165.83
(Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	16,269.01	18,742.12
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	14,958.00	16,614.11
(ii) Re-used	-	131.66
(iii) Other recovery operations	-	-
Total	14,958.00	16,745.77
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	51.78	2.05
(iii) Other disposal operations	1,259.39	1,994.24
Total	**1,311.17**	**1,996.29**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We follow Gujarat Pollution Control Board (GPCB) norms. We do not fall under hazardous and toxic chemicals.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
Not applicable				

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
30 MW Captive Power Plant & Product (Intermediate Chips + POY + FDY + DTY)	SEIAA/GUJ/ EC/5(f)/985/2020	31-08-2020	Yes	Yes	
	CCA No: AWH 123777	01-03-2023	Yes	YEs	

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

Sr. No.	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/associations.**

   b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

Sr. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
1	PHD Chamber of Commerce & Industry	National
2	PTA User Association	National
3	Synthetic & Rayon Textiles Export Promotion Council	National
4	Silavassa Industries Association (SIA)	State
5	Dadra & Nagar Haveli Industries Association (D&NHIA)	State
6	Dahej Industrial Association	State
7	Bharuch District Management Association	State
8	Surat Chamber of Commerce	State
9	Delhi Chamber of Commerce	State
10	The Textile Association (India)	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	Nil	

There is no action taken or underway against the Filatex on any issues related to anti-competitive conduct.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
			Nil		

Not applicable: We have No SIA Notification

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
			Nil			

Not applicable: No Rehabilitation and Resettlement (R&R) were undertaken by the entity during the reporting period.

3. Describe the mechanisms to receive and redress grievances of the community.

Not applicable

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/small producers	3.26%	4.00%
Sourced directly from within the district and neighbouring districts	52.83%	45.97%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Our Company's complaint resolution process is aimed at providing optimal customer satisfaction. Upon receiving a complaint through various channels such as verbal, written, or email communication, our Customer Technical Service (CTS) team initiates a comprehensive inquiry, including on-site visits and trials if necessary. Any relevant samples are sent to our plant for detailed analysis. Based on the findings, appropriate solutions are proposed, and the customer is informed of the results. In instances where the material does not meet our standards, provisions for goods return or claims are promptly managed. The entire process emphasizes transparent communication, thorough investigation, and timely resolution, reflecting our unwavering commitment to quality and customer satisfaction.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

Products/Services	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable as the Company does not have a specific consumer usage product range.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Category	FY24		Remarks	FY23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services			Nil			
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	N.A.	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

In alignment with our commitment to maintain the utmost security and confidentiality of the information systems and associated data, we have developed and implemented a comprehensive cyber risk management policy that adheres to industry best practices and regulatory standards. Here is an overview of our core cybersecurity strategies:

1. **Firewall Management:** Utilizing advanced Dell Sonic Firewall devices, we have updated our firewalls with the latest anti-virus packages. These are configured with stringent policies to restrict both external and internal access, with WAN policies explicitly limiting external accessibility.

2. **Network Configuration:** Our network leverages MPLS connectivity and Virtual Private Network (VPN) implementations across various locations, thereby ensuring secure and seamless access to data and our Enterprise Resource Planning (ERP) systems.

3. **Malware Defense:** We have positioned our servers behind firewalls with updated anti-virus software capable of scanning and neutralizing a wide spectrum of malicious threats, including Malware, Ransomware, and various other viruses.

4. **Data Backup and Recovery:** Comprehensive in-house data secure management is maintained, with backups conducted bi-daily and redundant copies stored on Microsoft's Azure Servers.

5. **Technical Team Oversight:** A dedicated and experienced technical team is in place to manage the firewalls, servers, and network infrastructure.

6. **Mobile Device Management (MDM):** The implementation of MDM ensures that emails are configured by the IT team exclusively on senior officers' devices, following precise management guidelines.

7. **Domain Policy Enforcement:** We employ stringent Domain Group Policies to restrict users from attaching unauthorized mobile devices, and to govern Internet usage across the organization.

8. **Email Security:** Utilization of Microsoft's O365 suite provides robust virus and spam management capabilities, enhancing email security.

9. **IT Department Security:** The IT department across all locations is safeguarded through restricted access to authorized personnel only, further mitigating potential internal threats.

10. **Compliance and Regulatory Adherence:** Our cyber risk management policy ensures compliance with all applicable legal and regulatory requirements, providing an additional layer of assurance to our investors.

These advanced technical implementations underline our robust approach to cybersecurity, emphasizing both proactive and reactive strategies to safeguard the integrity, availability, and confidentiality of our digital assets. We continually assess and update our security posture to align with emerging threats and technological advancements, reflecting our unwavering commitment to protect shareholder value and uphold our reputation as a secure and trustworthy organization.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

N.A.

Independent Auditor's Report

To the Members of

Filatex India Limited

Report on the Audit of Financial Statements

OPINION

We have audited the accompanying financial Statements of Filatex India Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement, the Statement of Changes in Equity and Notes to the Financial Statements for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as the financial statements).

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

Sr. No.	Key Audit Matters	Auditors Response
1.	**Litigation, Claims and other Contingencies** (As described in Note No. 41A & D of the Ind AS financial statements) as of March 31, 2024, the Company has disclosed contingent liabilities of ₹ 50,369.91 Lakhs relating to tax and legal claims. Taxation and litigation exposures have been identified as a key audit matter due to the large number of complex tax and legal claims across the Company. Due to complexity of cases, time scales for resolution and need to negotiate with various authorities, there is significant judgement required by management in assessing the exposure of each case and thus a risk that such cases may not be adequately provided for or disclosed in the Ind AS financial statements. Accordingly, claims, litigations, and contingent liabilities was determined to be a key audit matter in our audit of the Ind AS financial statement.	**Principal Audit Procedures** • Gained an understanding of the process of identification of claims, litigations, and contingent liabilities, and evaluated the design and tested the operating effectiveness of key controls. • Obtained the Company's legal and tax cases summary and critically assessed management's position through discussions with the legal head, tax head and Company management, on both the probability of success in significant cases, and the magnitude of any potential loss. • Obtained opinion, where appropriate, from relevant third-party legal counsel and conducted discussions with them regarding material cases. Evaluated the objectivity, independence, competence, and relevant experience of third-party legal counsel. • Inspected external legal opinions, where appropriate and other evidence to corroborate management's assessment of the risk profile in respect of legal claims. • Checked the adequacy of the disclosures with regard to facts and circumstances of the legal and litigation matters.

Sr. No.	Key Audit Matters	Auditors Response
2.	**Allowance for Inventories** The Company holds significant inventories and records allowance for identified obsolete inventories. As at March 31, 2024, the Company's inventories amounted to ₹ 41,766.67 Lakhs representing 19.91% of the Company's total assets. Refer Note No. 10 of financial statements. At the end of each reporting period, management assesses whether there is any objective evidence that certain inventories, which are stated at cost, are above their net realizable value. If so, these inventories are written down to their net realizable value. Assessing the net realizable value is an area of significant judgment with specific consideration to slow moving and obsolete inventory and hence considered to be a Key Audit Matter. Management undertakes the following procedures for determining the level of write down required: • Specific identification procedures are performed periodically by the management to ascertain the slow moving, non-moving or obsolete inventories. • Adequate allowance is created for non-moving and slow-moving inventories basis market realizable value and need of incremental re-processing cost.	**Principal Audit Procedures** Our audit procedures to assess allowance for inventories included the following: • We checked the management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is reasonable and consistently applied. • We checked that the allowance for slow-moving, non-moving, and obsolete inventories is appropriately computed basis the underlying working/supporting. • We compared the actual utilization/liquidation of inventories to the status of inventories previously assessed as per specific identification method. • We also checked inventory aging and inquiries for non-moving inventories which are not considered for inventory provisioning.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The above-mentioned report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR 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 to 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure-A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2024 has been paid/provided by the Company to its directors is in accordance with the provisions of Section 197 read with Schedule V to the Act.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note-41A & D to the financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. (a) The dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable;

(b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of accounts for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023 reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure-B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **R N MARWAH & Co LLP**
Chartered Accountants
Firm Registration No.: 001211N/N500019

SUNIL NARWAL
Partner
Membership No.: 511190
UDIN: 24511190BKCKCA9162

Place: New Delhi
Date: April 30, 2024

For **ARUN K GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 000605N

SACHIN KUMAR
Partner
Membership No.: 503204
UDIN: 24503204BKANRJ8406

Place: New Delhi
Date: April 30, 2024

Annexure-A to the Independent Auditor's Report

(Referred to in paragraph 1(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Filatex India Limited of even date)

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

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

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **R N MARWAH & Co LLP**
Chartered Accountants
Firm Registration No.: 001211N/N500019

SUNIL NARWAL
Partner
Membership No.: 511190
UDIN: 24511190BKCKCA9162

Place: New Delhi
Date: April 30, 2024

For **ARUN K GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 000605N

SACHIN KUMAR
Partner
Membership No.: 503204
UDIN: 24503204BKANRJ8406

Place: New Delhi
Date: April 30, 2024

Annexure-B to Independent Auditor's Report

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of Filatex India Limited of even date)

i. In respect of the Company's Property, Plant and Equipment, Right-of-Use Assets and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipments by which all property, plant and equipment's are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment's were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds/registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except mentioned in table below. In respect of immovable properties of land and building that have been taken on lease and disclosed as Right of Use Assets in the financial statements, the lease agreements are in the name of the Company. (Immovable properties whose title deeds have been pledged for obtaining credit facility extended to the Company as security are held in the name of the Company based on the MOE (Memorandum of entry) signed by the Lender Banks).

Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company Also indicate if in dispute
Freehold Land Survey no. 45/1 Damini Road-Dadra	21.94	Manjula Ben Nirbhay Singh Rajput	No	January 29, 2020	The possession and original agreement to sell of the land is in the name of the Company. Further, title deeds will be registered in the name of the Company once state Government policy on registry is changed.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipments (including Right-of-Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts/ delivery has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five Crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in arbitrage and liquid mutual Funds and the Company has not made any investments in firms, limited liability partnership or any other parties:

(a) During the year, the Company has not provided loans or advances in the nature of loans or stood guarantee or provided security to any other entity.

(b) In our opinion, the investments in arbitrage and liquid mutual Funds during the year are, prima facie, not prejudicial to the Company's interest.

(c) The Company has not granted any loans and advances in the nature of loans. Hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. In respect of the investments made by the Company, the provisions of Section 186 of the Companies Act, 2013 have been complied with.

v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Sr. No.	Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it relates	Forum where Dispute is pending
1.	Central Excise Act, 1944	Service Tax Credit before starting of production	51.08	F.Y 2011-12	CESTAT, Ahmedabad
2.	Central Excise Act, 1944	Credit of Service Tax availed on courier service	0.21	F.Y's 2005-06 & 206-07	The Asst. Commissioner of Central Excise, Silvassa
3.	Central Excise Act, 1944	Demand of Service Tax credit availed on Sales Commission	15.31	F.Y's 2009-10 & 2010-11	The Addl. Commissioner, Central Excise, Customs & Service Tax, Vapi
4.	Central Excise Act, 1944	Demand of Service Tax credit availed on Sales Commission	1.33	From December 2015 to September 2016	The Superintendent, Central Ex & Custom, Range-IV, Division -1, Silvassa
5.	Customs Act, 1962	Differential duty on import of Polyester Chips	14.54	January 2006 and April 2006	The Assistant Commissioner of Customs, Group II, C&D, JNCH, Navi Mumbai
6.	Customs Act, 1962	Penalty imposed on the Company by the Commissioner of Central Excise and Customs, Vadodara	15.00	May 2000 and June 2000	Gujarat High Court, Ahmedabad

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below: (Contd.)

Sr. No.	Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which it relates	Forum where Dispute is pending
7.	Customs Act, 1962	Fraudulent availment of DEPB credit by M/s Shivam Overseas, Ludhiana by resorting to overvaluation of their exported goods	7.99	March 2005	CESTAT, Mumbai
8.	Central Excise Act, 1944	Demand of service tax credit availed on sales commission	20.10	April 2011 to December 2014	The Additional Commissioner, Central excise, Custom& Service Tax, Div I, Vapi
9.	Central Excise Act, 1944	Demand of service tax credit availed on sales commission	3.58	January 2015 to November 2015	The Assistant Commissioner, Central excise, Custom& Service Tax, Div I, Silvassa
10.	Central Excise Act, 1944	Demand of service tax credit availed on sales commission	42.78	January 2013 to February 2016	The Superintendent, Central Ex & Custom, Range-III, Division - V, Bharuch
11.	Central Excise Act, 1944	Excise Rebate claim	3.09	May 2014	The Joint Commissioner, Central Excise, Raigarh
12.	Central Excise Act, 1944	Demand of Central Excise duty on clearance of Narrow Woven Fabrics	289.76	For the period from August 2015 to June 2017	The Commissioner Central Excise & CGST, Daman
13.	Central Goods and Service tax Act, 2017	Alleged issuance of bills by Vendors/Traders to Filatex without any physical movement of goods	59.06	December 2017 to January 2018	The Commissioner Appeals State GST, Vadodara
14.	Income Tax Act, 1961	Income Tax demanding income tax and interest in respect of additions/disallowances	5,228.45	AY 2013-14 AY 2015-16 AY 2017-18 AY 2018-19 AY 2019-20	The Commissioner of Income Tax (Appeals), New Delhi
15.	Income Tax Act, 1961	Income Tax demanding income tax and interest in respect of additions/disallowances	52.53	AY 2020-21 AY 2021-22	Income Tax Appellate Tribunal (ITAT), New Delhi
16.	Central Goods and Service tax Act, 2017	Alleged erroneous GST refund on Inverted duty Structure	31,112.02	From January 2018 to January 2023	Gujarat High Court, Ahmedabad
17.	Central Goods and Service tax Act, 2017	Cross Charge of Service by Corporate Office	815.81	July 2017 to March 2021	The Additional/Joint commissioner CGST & Central Excise Delhi East
18.	Central Goods and Service tax Act, 2017	Alleged excess GST refunds Zero rated (Net of revised inverted refunds)	2,301.11	January 2018 to October 2019	The Assistant Commissioner CGST Bharuch

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate, or joint venture (as defined under Companies Act, 2013) during the year ended March 31, 2024. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate, or joint venture (as defined under Companies Act, 2013) during the year ended March 31, 2024. Accordingly, clause 3(ix)(f) is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

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

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulation made by Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information & explanations provided to us, the Company does not have any CIC as part of its group. Hence reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. 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, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount to a Special fund account within a period of 30 days from the end of the financial year in compliance with the provision of Section 135(6) of the Act.

For **R N MARWAH & Co LLP**
Chartered Accountants
Firm Registration No.: 001211N/N500019

SUNIL NARWAL
Partner
Membership No.: 511190
UDIN: 24511190BKCKCA9162

Place: New Delhi
Date: April 30, 2024

For **ARUN K GUPTA & ASSOCIATES**
Chartered Accountants
Firm Registration No.: 000605N

SACHIN KUMAR
Partner
Membership No.: 503204
UDIN: 24503204BKANRJ8406

Place: New Delhi
Date: April 30, 2024

Balance Sheet

As at March 31, 2024

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipments	3	1,26,566.74	1,30,377.80
Capital work-in-progress	3A	4,312.12	571.44
Right of Use Assets	4	3,846.50	3,892.49
Other Intangible assets	5	30.50	49.40
Financial Assets			
Investments	6	1,042.14	1,076.65
Other Financial Assets	7	131.34	143.66
Income Tax Assets (Net)	8	859.73	683.94
Other non-current assets	9	157.04	305.36
Total Non-Current Assets		**1,36,946.11**	**1,37,100.74**
Current Assets			
Inventories	10	41,766.67	40,924.68
Financial Assets			
Investments	11	5,588.58	30.02
Trade receivables	12	11,907.86	13,107.53
Cash & Cash Equivalents	13	447.41	5,203.68
Bank balances (other than cash and cash equivalents)	14	3,646.78	4,372.59
Loans	15	55.22	60.39
Other Financial assets	16	123.25	144.24
Other current assets	17	9,282.97	10,373.96
Total Current Assets		**72,818.74**	**74,217.09**
Total Assets		**2,09,764.85**	**2,11,317.83**
EQUITY & LIABILITIES			
EQUITY			
Equity Share Capital	18	4,438.56	4,430.11
Other Equity	19	1,15,970.18	1,05,471.68
Total Equity		**1,20,408.74**	**1,09,901.79**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	20	19,479.97	24,859.98
Lease Liabilities	21	68.78	112.58
Other financial liabilities	22	501.29	300.36
Provisions	23	1,104.57	1,015.85
Deferred tax liabilities (Net)	24	15,222.74	14,218.54
Other non-current liabilities	25	2,512.24	2,656.28
Total Non-Current Liabilities		**38,889.59**	**43,163.59**
Current Liabilities			
Financial Liabilities			
Borrowings	26	3,692.10	5,338.60
Lease Liabilities	27	43.80	39.82
Trade Payables			
Total Outstanding Dues of Micro and Small Enterprises	28	1,244.90	1,379.85
Total Outstanding Dues of Creditors other than Micro and Small Enterprises	28	37,826.80	39,346.49
Other financial liabilities	29	4,973.17	7,659.24
Other current liabilities	30	1,918.32	4,043.21
Provisions	31	693.15	445.24
Income Tax Liabilities (Net)	32	74.28	-
Total Current Liabilities		**50,466.52**	**58,252.45**
Total Equity and Liabilities		**2,09,764.85**	**2,11,317.83**
Summary of material accounting policies	2		

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

As per our report of even date

for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

SACHIN KUMAR
Partner
Membership No. 503204

for **R.N. MARWAH & CO LLP**
Firm Registration
No. 001211N/N500019
Chartered Accountants

SUNIL NARWAL
Partner
Membership No. 511190

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman & Managing Director
DIN: 00021934

PURRSHOTTAM BHAGGERIA
Joint Managing Director
DIN: 00017938

MADHAV BHAGERIA
Joint Managing Director & CFO
DIN: 00021953

RAMAN KUMAR JHA
Company Secretary

Date: April 30, 2024

Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	33	4,28,590.31	4,30,387.32
Other Income	34	1,419.57	1,622.69
Total Income (I)		**4,30,009.88**	**4,32,010.01**
Expenses			
Cost of materials consumed	35	3,56,224.18	3,49,236.18
Purchases of stock-in-trade		2,893.98	3,611.22
Changes in Inventories of finished goods, stock in trade & work-in-progress	36	(4,736.69)	1,818.82
Employee benefits expense	37	10,197.78	9,212.99
Finance cost	38	2,910.89	5,938.36
Exchange fluctuation (Net)		130.10	(191.02)
Depreciation & amortization expense	3,4 & 5	7,251.45	6,865.43
Other Expenses	39	40,095.03	43,309.97
Total Expenses (II)		**4,14,966.72**	**4,19,801.95**
Profit before exceptional items & tax		**15,043.16**	**12,208.06**
Exceptional Items [Profit/(Loss)]		-	-
Profit before tax		**15,043.16**	**12,208.06**
Tax Expense			
Current tax	24	2,946.14	3,556.39
Deferred tax	24	1,031.03	(337.89)
Total tax expense		**3,977.17**	**3,218.50**
Net profit after tax for the year		**11,065.99**	**8,989.56**
Other Comprehensive Income/(loss)			
A (i) Items to be reclassified to profit or loss		-	**-**
(ii) Income tax effect on above		-	**-**
B (i) Items not to be reclassified to profit or loss			
Re-measurement gains/(loss) on defined benefit plans		(106.59)	31.88
(ii) Income tax effect on above		26.83	(8.02)
Total other comprehensive Income		**(79.76)**	**23.86**
Total Comprehensive Income for the year		**10,986.23**	**9,013.42**
Earnings Per Share (EPS) in Rupees (Face value of ₹ 1/- per share)			
- Basic	40	2.49	2.02
- Diluted	40	2.49	2.02
Summary of material accounting policies	2		

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

As per our report of even date

for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

for **R.N. MARWAH & CO LLP**
Firm Registration
No. 001211N/N500019
Chartered Accountants

For and on behalf of the Board of Directors of
Filatex India Limited

SACHIN KUMAR
Partner
Membership No. 503204

SUNIL NARWAL
Partner
Membership No. 511190

MADHU SUDHAN BHAGERIA
Chairman & Managing Director
DIN: 00021934

PURRSHOTTAM BHAGGERIA
Joint Managing Director
DIN: 00017938

MADHAV BHAGERIA
Joint Managing Director & CFO
DIN: 00021953

RAMAN KUMAR JHA
Company Secretary

Date: April 30, 2024

Statement of Cash Flow

For the year ended March 31, 2024

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities		
Net profit/(loss) before tax	15,043.16	12,208.06
Adjustments for		
- Depreciation/amortization	7,251.45	6,865.43
- Loss/(profit) on Property, Plant & Equipment sold/discarded (Net)	(20.97)	(22.09)
- Employee Stock Option expense	64.71	18.38
- Remeasurement of Employee Benefit Expenses	(106.59)	31.88
- Unrealised Foreign exchange Loss/(profit) (Net)	180.15	965.34
- Unrealised Marked to Market (Gain)/Loss	129.88	(74.51)
- Provisions/liabilities no longer required, written back (Net)	(16.60)	(28.64)
- Processing Fees on Long term Loans	278.42	325.99
- Provision for Doubtful Debts	1.53	-
- Provision for Doubtful Debts written back	-	(42.81)
- Provision for Net gain on Fair Value changes at FVTPL on Investments	(29.05)	(40.83)
- Bad Debts Written-off	9.48	-
- Income recognised on account of government assistance	(143.19)	(133.71)
- Interest expense	1,821.28	3,470.87
- Interest income	(824.09)	(988.13)
- Gain on sale of mutual fund measured at fair value through profit and loss	(354.20)	(337.01)
Operating profit before working capital changes	**23,285.37**	**22,218.22**
Movements in working capital		
Decrease/(increase) in trade receivables	1,197.31	1,430.65
Decrease/(increase) loans and advances/other current assets	1,102.53	4,773.11
Decrease/(increase) in inventories	(842.00)	(3,355.33)
Increase/(decrease) in trade & other payable/provisions	(4,909.01)	11,372.19
Cash generated from operations	**19,834.20**	**36,438.84**
Direct taxes paid (net of refunds)	(3,047.65)	(3,896.26)
Net cash flow from operating activities (a)	**16,786.55**	**32,542.58**
Cash flow from investing activities		
Purchase of Property, Plant & Equipment (Including Capital Advances & CWIP)	(6,971.17)	(11,199.23)
Proceeds from sale of Property, Plant & Equipment (Including advances received)	29.44	38.95
Payment to acquire Investments	-	(1,036.00)
Payment to acquire mutual fund	(93,700.17)	(77,886.47)
Proceeds from sale of mutual fund	88,559.40	78,193.64
(Increase)/Decrease in deposits	1,031.25	(1,699.50)
Interest received	830.73	2,203.78
Net cash flow from/(used in) investing activities (b)	**(10,220.52)**	**(11,384.83)**
Cash flow from financing activities		
Proceeds from exercise of Share option (including share application money)	121.79	141.47
Proceeds from long-term borrowings from banks	170.00	4,483.03
Repayment of long-term borrowings to Banks	(6,979.34)	(11,808.19)
Net Proceeds/(repayment) from/of short-term borrowings	(687.41)	324.83
Dividend Paid	(665.78)	(443.01)
Payment for buyback of equity shares	-	(5,950.00)
Tax paid on buyback of Equity shares	-	(1,366.31)
Share issue & buyback expenses	-	(58.00)
Payment of Lease Liabilities	(55.06)	(53.27)
Interest paid	(3,226.50)	(1,314.61)
Net cash flow from/(used in) financing activities (c)	**(11,322.30)**	**(16,044.06)**
Net increase/(decrease) in cash and cash equivalents (a + b + c)	**(4,756.27)**	**5,113.68**
Cash and cash equivalents at the beginning of the year	5,203.68	90.00
Cash and cash equivalents at the end of the year	**447.41**	**5,203.68**
Components of cash and cash equivalents		
Cash on hand	4.48	8.79
Balance with scheduled Banks		
- on Current account	442.93	192.89
- on deposit with original maturity of less than 3 months	-	5,002.00
Total of Cash & Cash Equivalents	**447.41**	**5,203.68**

The accompanying notes are an integral part of financial statement.

As per our report of even date

for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

SACHIN KUMAR
Partner
Membership No. 503204

for **R.N. MARWAH & CO LLP**
Firm Registration
No. 001211N/N500019
Chartered Accountants

SUNIL NARWAL
Partner
Membership No. 511190

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman & Managing Director
DIN: 00021934

PURRSHOTTAM BHAGGERIA
Joint Managing Director
DIN: 00017938

MADHAV BHAGERIA
Joint Managing Director & CFO
DIN: 00021953

RAMAN KUMAR JHA
Company Secretary

Date: April 30, 2024

Statement of Changes in Equity

As at March 31, 2024

A. EQUITY SHARE CAPITAL (REFER NOTE-19)

(₹ in Lakhs)

Issued, subscribed and fully paid	Number of Shares	Amount
As at March 31, 2022 (Equity shares of ₹ 2/- per share)	22,52,65,250	4,505.31
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2022 (Equity shares of ₹ 2/- per share)	22,52,65,250	4,505.31
Shares issued on exercise of employee stock options during the year	4,90,375	9.81
Shares Extinguished on buyback	(42,50,000)	(85.00)
Increase in the number of shares due to Share split	22,15,05,625	
As at March 31, 2023 (Equity shares of ₹ 1/- per share)	**44,30,11,250**	**4,430.11**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance as at April 01, 2023 (Equity shares of ₹ 1/- per share)	44,30,11,250	4,430.11
Shares issued on exercise of employee stock options during the year	8,44,250	8.44
As at March 31, 2024 (Equity shares of ₹ 1/- per share)	**44,38,55,500**	**4,438.56**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus						Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Share based option outstanding	Retained Earnings	
Balance as at March 31, 2022	**1,253.11**	**1,250.00**	**12,787.19**	**546.61**	**109.64**	**88,093.98**	**1,04,040.53**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at April 01, 2022	**1,253.11**	**1,250.00**	**12,787.19**	**546.61**	**109.64**	**88,093.98**	**1,04,040.53**
Profit for the Year	-	-				8,989.56	8,989.56
Dividend Paid (Final)	-	-				(443.01)	(443.01)
Expenses on Share Issue & Buyback of shares	-	-				(58.00)	(58.00)
Tax on liability towards buyback of equity shares	-	-	-	-	-	(1,366.31)	(1,366.31)
Creation of Capital Redemption Reserve on buyback	-	85.00	-	-	-	(85.00)	-
Share based compensation to employees	-	-	-	-	18.38	-	18.38
Shares issued on exercise of employee stock options	-	-	131.67	-	-	-	131.67
Buyback of equity shares	-	-	(5,865.00)	-	-	-	(5,865.00)
Transfer to general reserve on exercise of stock options	-	-	-	63.46	(63.46)	-	-

Statement of Changes in Equity (Contd.)

As at March 31, 2024

B. OTHER EQUITY (Contd.)

(₹ in Lakhs)

Particulars	Reserve and Surplus						Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Share based option outstanding	Retained Earnings	
Other Comprehensive Income							
Re-measurement of defined benefit plans	-	-	-	-	-	23.86	23.86
Total for the year	**-**	**85.00**	**(5,733.33)**	**63.46**	**(45.08)**	**7,061.10**	**1,431.15**
Balance as at March 31, 2023	**1,253.11**	**1,335.00**	**7,053.86**	**610.07**	**64.56**	**95,155.08**	**1,05,471.68**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated Balance as at April 01, 2023	**1,253.11**	**1,335.00**	**7,053.86**	**610.07**	**64.56**	**95,155.08**	**1,05,471.68**
Profit for the year	-	-	-	-	-	11,065.99	11,065.99
Dividend paid (Final)	-	-	-	-	-	(665.78)	(665.78)
Share based compensation to employees	-	-		-	64.71	-	64.71
Shares issued on exercise of employee stock options	-	-	113.34	-	-	-	113.34
Transfer to general reserve on exercise of stock options	-	-	-	69.77	(69.77)	-	-
Other Comprehensive Income							
Re-measurement of defined benefit plans	-	-	-	-	-	(79.76)	(79.76)
Total for the year	**-**	**-**	**113.34**	**69.77**	**(5.06)**	**10,320.45**	**10,498.50**
Balance as at March 31, 2024	**1,253.11**	**1,335.00**	**7,167.20**	**679.84**	**59.50**	**1,05,475.53**	**1,15,970.18**

i) Refer note 19 for nature and purpose of reserves

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

As per our report of even date

for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

SACHIN KUMAR
Partner
Membership No. 503204

for **R.N. MARWAH & CO LLP**
Firm Registration
No. 001211N/N500019
Chartered Accountants

SUNIL NARWAL
Partner
Membership No. 511190

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman & Managing Director
DIN: 00021934

PURRSHOTTAM BHAGGERIA
Joint Managing Director
DIN: 00017938

MADHAV BHAGERIA
Joint Managing Director & CFO
DIN: 00021953

RAMAN KUMAR JHA
Company Secretary

Date: April 30, 2024

Notes to the Financial Statements

For the year ended March 31, 2024

1. CORPORATE INFORMATION

Filatex India Ltd. ('The Company') is a Public Limited Company incorporated in India. The address of its Registered Office is S.No. 274, Demni Road, Dadra - 396191 (U.T of Dadra & Nagar Haveli) and Corporate office is 43, Community Centre, New Friends Colony, New Delhi - 110025, India. The main business of the Company is manufacturing of Polyester Chips, Polyester/Nylon/Polypropylene Multi & Mono Filament Yarn and Narrow Fabrics. The Company is listed on Bombay Stock Exchange (BSE) Limited and National Stock Exchange (NSE) of India Limited.

The financial statements were authorised by the Board of Directors for issuing in accordance with a resolution passed on April 30, 2024.

2. MATERIAL ACCOUNTING POLICIES

The accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

2.1 Basis of preparation of Financial Statements

a) Statement of compliance with Ind AS:

These financial statements are prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant schedule III), as are applicable.

b) Basis of measurement:

These financial statements are prepared under the historical cost convention on accrual basis except for the following material items that have been measured at fair value as required by relevant Ind AS:

- certain financial assets (including derivative financial instruments) that are measured at fair value;
- share based payments;
- defined benefit plans - plan assets measured at fair value;
- certain property, plant and equipment measured at fair value (viz leasehold land and freehold land) which has been considered as deemed cost.

The fair values of financial instruments measured at amortised cost are required to be disclosed in the said financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value measurement:

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

Where required/appropriate, external valuers are involved:

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy established by Ind AS 113, that categorises into three levels, the inputs to valuation techniques used to measure fair value. These are based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximates fair value due to the short maturity of these instruments.

The Company recognises transfers between levels of fair value hierarchy at the end of reporting period during which change has occurred.

c) Current non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- 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.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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 realisation in cash and cash equivalents. Based on the nature of products/services and time between acquisition of assets for processing/rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current/non-current classification of assets & liabilities period of 12 months has been considered as normal operating cycle.

d) Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

e) Rounding of amounts:

All amounts disclosed in the financial statements and notes are in Indian Rupees in Lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of the Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements, and the reported amounts of revenues, expenses and the results of operations during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an "ongoing basis". Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Revenue recognition

Sale of goods:

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue (other than sale):

Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Insurance Claims:

Insurance claims are accounted for on the basis of claims admitted and to the extent that there is no uncertainty in receiving the claims.

Export Benefits:

Export benefits/incentives constituting Duty Draw back, incentives under FPS/FMS/MEIS/RoDTEP and duty free advance license scheme are accounted for on accrual basis where there is reasonable assurance that the Company will comply with the conditions attached to them and the export benefits will be received.

Interest Income:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of a financial liability or a financial asset to their gross carrying amount.

Dividend:

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

2.4 Property, plant and equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Cost of an item of property, plant and equipment comprises:

i. its purchase price, including import duties and non-refundable purchase taxes (net of duty/tax credit availed), after deducting trade discounts and rebates.

ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii. borrowing cost directly attributable to the qualifying asset in accordance with accounting policy on borrowing cost.

iv. the costs of dismantling, removing the item and restoring the site on which it is located.

PPE in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes direct costs, related pre-operational expenses and for qualifying assets applicable borrowing costs to be capitalised in accordance with the Company's accounting policy. Administrative, general overheads and other indirect expenditure (including borrowing costs) incurred during the project period which are not directly related to the project nor are incidental thereto, are expensed.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other items of PPE, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful life that is materially different from that of the remaining plant and equipment.

Machinery spares which meets the criteria of PPE is capitalized and depreciated over the useful life of the respective asset.

On transition to Ind AS:

Under the Previous GAAP, all property, plant and equipment were carried at in the Balance Sheet on basis of historical cost. In accordance with provisions of Ind AS 101 First time adoption of Indian Accounting Standards, the Company, for certain properties, has elected to adopt fair value and recognized as of April 01, 2016 as the deemed cost as of the transition date. The resulting adjustments have been directly recognized in retained earnings. The balance assets have been recomputed as per the requirements of Ind AS retrospectively as applicable.

Depreciation:

Depreciation on Property, Plant & Equipment (other than freehold land and capital work in progress) is provided on the straight line method, based on their respective estimate of useful lives, as given below. Estimated useful lives of assets are determined based on internal assessment estimated by the management of the Company and supported by technical advice wherever so required. The management believes that useful lives currently used, which is as prescribed under Schedule II to the Companies Act, 2013, fairly reflect its estimate of the useful lives and residual values of Property, Plant & Equipment (considered at 5% of the original cost), though these lives in certain cases are different from lives prescribed under Schedule II.

Type of assets	Useful life in years
Buildings	
Factory Building	30 years
Non-Factory Buildings	60 years
Leasehold Improvements	Lower of Useful life of asset or Lease Term
Plant and Machinery *	5 – 25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 - 10 years
Computers & Peripherals	3 - 6 years

*Based on internal technical evaluation and external advise received, the management believes that the useful lives as considered for arriving at the depreciation rates, best represent the period over which management expect to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets individually costing ₹ 5,000 or less are fully depreciated in the year of acquisition.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is retired from active use and is held for disposal and the date that the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically including at the end of each financial year. Any changes in depreciation method, useful lives and residual values are treated as a change in accounting estimate and applied/adjusted prospectively, if appropriate.

Measurement of fair value:

a) Fair value hierarchy:

The fair value of freehold and leasehold land has been determined by external, independent property valuers, having appropriate recognised professional qualifications and experience in the category of the property being valued. The fair value measurement has been categorised as level 2 fair value based on the inputs to the valuations technique used.

b) Valuation technique:

Value of the property has been arrived at using market approach using market corroborated inputs. Adjustments have been made for factors specific to the assets valued including location and condition of the assets, the extent to which input relate to items that are comparable to the assets and the volume or the level of activity in the markets within which the inputs are observed.

2.5 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets with finite useful lives are recognised at cost of acquisition. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets not ready for the intended use on the date of the balance sheet are disclosed as "intangible assets under development".

Intangible assets are derecognised (eliminated from the balance sheet) on disposal or when no future economic benefits are expected from its use and subsequent disposal.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset are recognised as income or expense in the statement of profit and loss.

Deemed cost on transition to Ind AS:

Under the Previous GAAP, all Intangible assets were carried at in the Balance Sheet on basis of historical cost. The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 01, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Amortisation:

Intangible assets are amortised on a straight line basis over the estimated useful lives of respective assets from the date when the asset are available for use, on pro-rata basis. Estimated useful lives by major class of finite-life intangible assets are as follows:

Type of assets	Useful life in years
Computer Software	5 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates and adjusted prospectively.

2.6 Research and development expenditure

Research expenditure is charged to the Statement of profit and loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised as an intangible asset under development. Tangible assets used in research and development are capitalised under respective heads.

These development costs are amortised over the estimated useful life of the projects or the products they are incorporated within. The amortisation of capitalised development costs begins as soon as the related product is released to production.

2.7 Financial instruments

Financial assets:

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are added to or deducted from the fair value of the financial assets.

Financial assets are subsequently classified and measured at:

- amortised cost (if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding);
- fair value through profit and loss (FVTPL);
- fair value through other comprehensive income (FVOCI).

Equity instruments:

All investments in equity instruments in scope of Ind AS 109 classified under financial assets are initially measured at fair value.

If the equity investment is not held for trading, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Equity Instruments which are held for trading are classified as measured at FVTPL.

Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

The Company does not have any equity investments designated at FVOCI.

On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of profit & Loss.

Investments in Mutual fund:

Investments in Mutual funds are measured at fair value through profit and loss (FVTPL).

Derivative financial instruments:

The Company uses derivative financial instruments, such as forward currency contracts and currency option contracts to mitigate its foreign currency risks and interest rate risks. Such derivative financial instruments are recorded at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit or loss.

Derecognition:

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial asset:

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. This involves use of provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 months ECL.

ECL 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 (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity:

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

Equity instruments:

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

Financial liabilities:

Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The fair value of a financial instrument at initial recognition is normally the transaction price. If the Company determines that the fair value at initial recognition differs from the transaction price, difference between the fair value at initial recognition and the transaction price shall be recognized as gain or loss unless it qualifies for recognition as an asset or liability. This normally depends on the relationship between the lender and borrower or the reason for providing the loan. Accordingly in case of interest-free loan from promoters to the Company, the difference between the loan amount and its fair value is treated as an equity contribution to the Company.

In accordance with Ind AS 113, the fair value of a financial liability with a demand feature is not less than the amount payable on demand, discounted from the first date that the amount could be required to be paid.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss, unless and to the extent capitalised as part of costs of an asset.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables:

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition:

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

Off setting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognised amount and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8 Impairment of non-financial assets

The carrying amounts of non-financial assets other than inventories are assessed at each reporting date to ascertain whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. An impairment loss is recognised, as an expense in the Statement of Profit and Loss, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects the current market assessments of the time value of money and the risk specific to the assets. For the purpose of assessing impairment, assets are grouped at the lowest levels into cash generating units for which there are separately identifiable cash flows.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

2.9 Borrowing costs

Borrowing costs comprises interest expense on borrowings calculated using the effective interest method and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. EIR calculation does not include exchange differences.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time considering project as a whole to get ready for their intended use or sale, are included in the cost of those assets. Such borrowing costs are capitalised as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognised as an expense in the period in which they are incurred.

The Capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress.

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

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

2.10 Foreign currency transactions

The financial statements are presented in Indian Rupees (INR), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions, and from translation of monetary assets and liabilities at the reporting date exchange rates are recognised in the Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Under Previous GAAP, the Company had opted for paragraph 46A of Accounting Standard for 'Effect of Changes in Foreign Exchange Rates' (AS 11) which provided an alternative accounting treatment whereby exchange differences arising on long term foreign currency monetary items relating to depreciable capital asset can be added to or deducted from the cost of the asset and should be depreciated over the balance life of the asset.

Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. The Company has elected to avail this optional exemption. However, the capitalization of exchange differences is not allowed on any new long term foreign currency monetary item recognized from the first Ind AS financial reporting period.

2.11 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

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

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the statement of profit and loss.

The Company presents right-of-use assets and lease liabilities separately in balance sheet.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and low value leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.12 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials, stores and spares: cost includes cost of purchase (viz. the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition and is net of trade discounts, rebates and other similar items) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Moving Weighted Average Method.
- Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- Spare parts, which do not meet the definition of property, plant and equipment are classified as inventory.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

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

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.13 Employee benefits

Short- term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, social security contributions, short term compensated absences (paid annual leaves) etc. are measured on an undiscounted basis at the amounts expected to be paid when the liabilities are settled and are expensed in the period in which the employee renders the related service.

Post-employment benefits:

i) Defined contribution plan:

The defined contribution plan is post employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme and Labour Welfare

Fund. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which employee renders the related service.

ii) Defined benefit plan:

The Company's obligation towards gratuity liability is a "defined benefit" obligation. The present value of the defined benefit obligations is determined on the basis of actuarial valuation using the projected unit credit method. The rate used to discount "defined benefit obligation" is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

The amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the current year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss).

The amount of net interest expense, calculated by applying the liability discount rate to the net defined benefit liability or asset, is charged or credited to 'Finance costs' in the Statement of Profit and Loss.

Re-measurement of net defined benefit liability/asset pertaining to gratuity comprise of actuarial gains/losses (i.e. changes in the present value of the defined benefit obligation resulting from experience adjustments and effects of changes in actuarial assumptions), the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest) and is recognised immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss account in subsequent periods.

Other long-term employee benefit obligations:

The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit.

2.14 Share-based payments

Employees of the Company receive remuneration in the form of share based payments in consideration of the services rendered (equity settled transactions).

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expense' with a corresponding increase in equity over the vesting period. The fair value of the options on the grant date is calculated using an appropriate valuation model.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity. An additional expense is recognised for any modification that increases the total fair value of the shares based payments transactions, or is otherwise beneficial to the employee as measured at the date of modification.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share. When the options are exercised, the Company issues fresh equity shares.

2.15 Government grant

Government grants are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Accordingly, government grants:

a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income in profit or loss on a systematic basis over the useful life of the assets.

b) related to an expense item is recognised in the statement of profit and loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed and presented as deduction from the related/relevant expense.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Export benefits available under prevalent schemes are accrued in the year in which the goods are exported and there is no uncertainty in receiving the same.

2.16 Taxation

Tax expense comprises of current and deferred tax and includes any adjustments related to past periods in current and/or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current income tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised, either in other comprehensive income or directly in equity, is also recognized in other comprehensive income or in equity, as appropriate and not in the Statement of Profit and Loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax assets in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

Uncertain tax issue:

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

In determining the approach that predicts the resolution of the uncertainty, the Company has considered most likely amount method & expected value method. Company adopted most likely amount method for resolution of the uncertainty of its tax treatment.

The Company determined, based on its tax compliance that it is probable that its tax treatment will be accepted by taxation authorities.

2.17 Provisions and contingencies

Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of 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 measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Contingencies:

Contingent liabilities:

A contingent liability is:

- a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- a present obligation that arises from past events but is not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not recognized but disclosed unless the contingency is remote.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but are disclosed when the inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognized.

2.18 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance.

The Company is engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates the Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

2.19 Related party

A related party is a person or entity that is related to the reporting entity and it includes:

(a) A person or a close member of that person's family if that person:

  (i) has control or joint control over the reporting entity;

  (ii) has significant influence over the reporting entity; or

  (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to the reporting entity if any of the following conditions apply:

  (i) The entity and the reporting entity are members of the same Group;

  (ii) One entity is an associate or joint venture of the other entity;

  (iii) Both entities are joint ventures of the same third party;

  (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

  (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;

  (vi) The entity is controlled or jointly controlled by a person identified in (a);

  (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);

  (viii) The entity, or any member of a Group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity including:

(a) that person's children, spouse or domestic partner, brother, sister, father and mother;

(b) children of that person's spouse or domestic partner; and

(c) dependents of that person or that person's spouse or domestic partner.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Related party transactions and outstanding balances disclosed in the financial statements are in accordance with the above definition as per Ind AS 24.

2.20 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and cash on hand and short term deposits/ investments with an original maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value. These exclude bank balances (including deposits) held as margin money or security against borrowings, guarantees etc. being not readily available for use by the Company.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short term deposits and exclude items which are not available for general use as on the date of Balance Sheet, as defined above, net of bank overdrafts which are repayable on demand where they form an integral part of an entity's cash management.

2.21 Dividend to equity share holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.22 Cash flow statement

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method as set out in Ind AS 7 'Statement of Cash Flows', adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and

iii. all other items for which the cash effects are investing or financing cash flows.

2.23 Earnings per share

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into. Contingently issuable shares are treated as outstanding and are included in the calculation of basic earnings per share only from the date when all necessary conditions are satisfied (i.e. the events have occurred).

Diluted earnings per equity share are computed by dividing the net profit or loss before OCI attributable to equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares (including options and warrants). The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Anti-dilutive effects are ignored.

2.24 Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Where the events are indicative of conditions that arose after the reporting period, the amounts are not adjusted, but are disclosed if those non-adjusting events are material.

2.25 Exceptional items

An item of Income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the financial statements.

2.26 Corporate Social Responsibility (CSR) expenditure

The Company charges its CSR expenditure during the year to the statement of profit & loss.

2.27 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

3. PROPERTY, PLANT AND EQUIPMENTS

(₹ in Lakhs)

Particulars	Freehold Land	Building [refer note (iii) below]	Lease Hold Improvements	Plant & Machinery [refer note (i), (ii) and (iii) below]	Furniture & Fittings	Vehicles	Office Equipments	Computers & Peripherals	Total Property, Plant and Equipments
Gross Carrying Value as at April 01, 2022	**2,828.58**	**19,548.55**	**88.84**	**1,23,854.00**	**336.16**	**757.15**	**237.66**	**270.50**	**1,47,921.44**
Additions	-	1,576.79	-	14,734.52	12.56	46.53	27.68	40.96	16,439.04
Sales/Adjustments	-	-	-	(4.59)	-	(114.35)	(0.67)		(119.61)
Gross Carrying Value as at March 31, 2023	**2,828.58**	**21,125.34**	**88.84**	**1,38,583.93**	**348.72**	**689.33**	**264.67**	**311.46**	**1,64,240.87**
Additions	-	175.85	-	2,875.35	14.45	252.07	36.75	27.63	3,382.10
Sales/Adjustments	-	-	-	(36.95)	-	(14.13)	(9.49)	-	(60.57)
Gross Carrying Value as at March 31, 2024	**2,828.58**	**21,301.19**	**88.84**	**1,41,422.33**	**363.17**	**927.27**	**291.93**	**339.09**	**1,67,562.40**

(₹ in Lakhs)

Particulars	Freehold Land	Building [refer note (iii) below]	Lease Hold Improvements	Plant & Machinery [refer note (i), (ii) and (iii) below]	Furniture & Fittings	Vehicles	Office Equipments	Computers & Peripherals	Total Property, Plant and Equipments
Accumulated Depreciation as at April 01, 2022	-	3,025.41	48.45	23,287.41	185.92	268.99	156.33	189.56	27,162.07
Depreciation Expenses	-	756.01	8.46	5,837.77	31.72	104.20	27.82	37.77	6,803.75
Deductions/Adjustments	-	-	-	(4.28)	-	(97.91)	(0.56)	-	(102.75)
Accumulated Depreciation as at March 31, 2023	**-**	**3,781.42**	**56.91**	**29,120.90**	**217.64**	**275.28**	**183.59**	**227.33**	**33,863.07**
Depreciation Expenses	-	769.39	8.48	6,199.81	29.77	116.40	26.75	34.09	7,184.69
Deductions/Adjustments	-	-	-	(30.08)	-	(13.16)	(8.86)	-	(52.10)
Accumulated Depreciation as at March 31, 2024	**-**	**4,550.81**	**65.39**	**35,290.63**	**247.41**	**378.52**	**201.48**	**261.42**	**40,995.66**
Net Carrying Value as at March 31, 2023	2,828.58	17,343.92	31.93	1,09,463.03	131.08	414.05	81.08	84.13	1,30,377.80
Net Carrying Value as at March 31, 2024	2,828.58	16,750.38	23.45	1,06,131.70	115.76	548.75	90.45	77.67	1,26,566.74

If Freehold land was measured using the cost model. The carrying amounts would be as follows:

(₹ in Lakhs)

Net Book Value	As at March 31, 2024	As at March 31, 2023
Cost	249.00	249.00
Accumulated depreciation and impairment	-	-
Net carrying value	**249.00**	**249.00**

i) Foreign Exchange differences on long term foreign currency loans (as permitted by para. D13AA of Ind AS 101) aggregating Loss of ₹ 17.00 Lakhs (Previous year loss ₹ 57.01 Lakhs) capitalised during the year. The accumulated foreign exchange fluctuation capitalised is ₹ 5,205.65 Lakhs (Upto Previous year ₹ 5,188.65 Lakhs).

ii) Expenditure incurred during construction period ₹ Nil (previous year ₹ 305.38 Lakhs) and borrowing cost ₹ Nil (previous year ₹ 53.18 Lakhs) has been capitalised. (Refer note 56)

iii) Includes assets related to Research and development capitalised ₹ 51.29 Lakhs (as on March 31, 2023 ₹ 650.50 Lakhs) under Plant and machinery and ₹ Nil (as on March 31, 2023 ₹ 3.87 Lakhs) under Building and depreciation on the said assets ₹ 65.59 Lakhs (previous year ₹ 39.57 Lakhs) under Plant and Machinery and ₹ 0.37 Lakhs (previous year ₹ 0.24 Lakhs) under building. (Refer note 3A & 55)

iv) Charge has been created against the aforesaid assets for the borrowings taken by the Company. (Refer note 20 and 26)

v) Title deeds of Immovable Properties not held in name of the Company:

Relevant Item in the Balance sheet	Description of the Property	Gross Carrying Value (₹ in Lakhs)	Tittle deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, Plant and Equipments	Freehold Land Survey No. 45/1, Demni Road, Dadra	21.94	Manjula Ben Nirbhay Singh Rajput	No	February 13, 2020	The possession and original agreement to sell of the property is in the name of the Company. Further, tittle deeds will be registered in the name of the Company once state Governments' policy on registry gets changed.

3A. Capital Work-in-Progress

(₹ in Lakhs)

Particulars	Building	Plant & Machinery	Total
Gross Carrying Value as at April 01, 2022	**1,030.43**	**3,112.30**	**4,142.73**
Additions	43.81	527.63	571.44
Transferred to property, plant & equipment *	(1,030.43)	(3,112.30)	(4,142.73)
Gross Carrying Value as at March 31, 2023	**43.81**	**527.63**	**571.44**
Additions	389.47	3,890.29	4,279.76
Transferred to property, plant & equipment *	(43.81)	(495.27)	(539.08)
Gross Carrying Value as at March 31, 2024	**389.47**	**3,922.65**	**4,312.12**
Net Carrying Value as at March 31, 2023	43.81	527.63	571.44
Net Carrying Value as at March 31, 2024	389.47	3,922.65	4,312.12

* Includes ₹ Nil (previous year ₹ 371.35 Lakhs) against capital expenditure on plant and machinery for Research & Development (R&D) and ₹ Nil (previous year ₹ 3.87 Lakhs) against capital expenditure on building for R&D.

i) Charge has been created against the aforesaid assets for the borrowings taken by the Company. (Refer note 20 and 26)

Capital Work-in-Progress (CWIP) Ageing Schedule as at March 31, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Amount in CWIP for a period of				
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Projects in progress	4,279.76	32.36	-	-	4,312.12
2	Projects temporarily suspended	-	-	-	-	-
Total		**4,279.76**	**32.36**	**-**	**-**	**4,312.12**

The Cationic project with envisaged cost of ₹ 4,000 Lakhs is overdue. The same will be completed in less than 1 year and there is no cost overrun.

Capital Work-in-Progress (CWIP) Ageing Schedule as at March 31, 2023

(₹ in Lakhs)

Sr. No.	Particulars	Amount in CWIP for a period of				
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
1	Projects in progress	571.44	-	-	-	571.44
2	Projects temporarily suspended	-	-	-	-	-
Total		**571.44**	**-**	**-**	**-**	**571.44**

Since, there are no projects whose completion is overdue or has exceeded its cost compared to its original plan, hence the ageing for CWIP completion schedule has been dispensed with.

4. RIGHT OF USE ASSETS

(₹ in Lakhs)

Particulars	Leasehold Land	Building	Total
Gross Carrying value as at April 01, 2022	**3,883.10**	**208.33**	**4,091.43**
Additions	-	-	-
Disposals	-	-	-
Gross Carrying Value as at March 31, 2023	**3,883.10**	**208.33**	**4,091.43**
Additions	-	-	-
Disposals	-	-	-
Gross Carrying Value as at March 31, 2024	**3,883.10**	**208.33**	**4,091.43**

(₹ in Lakhs)

Particulars	Leasehold Land	Building	Total
Accumulated Depreciation as at April 01, 2022	**56.93**	**96.08**	**153.01**
Depreciation Expenses	19.52	26.41	45.93
Disposals	-	-	-
Accumulated Depreciation as at March 31, 2023	**76.45**	**122.49**	**198.94**
Depreciation Expenses	19.58	26.41	45.99
Disposals	-	-	-
Accumulated Depreciation as at March 31, 2024	**96.03**	**148.90**	**244.93**
Net Carrying Value as at March 31, 2023	3,806.65	85.84	3,892.49
Net Carrying Value as at March 31, 2024	3,787.07	59.43	3,846.50

i) Charge has been created against the aforesaid assets for the borrowings taken by the Company. (Refer note 20 and 26)

If Leasehold land was measured using the cost model. The carrying amounts would be as follows:

(₹ in Lakhs)

Net Book Value	As at March 31, 2024	As at March 31, 2023
Cost	1,654.54	1,654.54
Accumulated depreciation and impairment	68.33	60.65
Net Carrying Value	**1,586.21**	**1,593.89**

5. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)
Gross Carrying value as at April 01, 2022	**152.28**
Additions	-
Disposals/Capitalised	-
Gross Carrying Value as at March 31, 2023	**152.28**
Additions	1.87
Disposals/Capitalised	-
Gross Carrying Value as at March 31, 2024	**154.15**

(₹ in Lakhs)

Particulars	Intangible Assets (Computer Software)
Accumulated Depreciation as at April 01, 2022	**87.13**
Depreciation Expenses	15.75
Disposals	-
Accumulated Depreciation as at March 31, 2023	**102.88**
Depreciation Expenses	20.77
Disposals	-
Accumulated Depreciation as at March 31, 2024	**123.65**
Net Carrying Value as at March 31, 2023	49.40
Net Carrying Value as at March 31, 2024	30.50

i) Charge has been created against the aforesaid assets for the borrowings taken by the Company. (Refer note 20 and 26)

6. NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Value	No. of Shares	Value
Unquoted				
Investment measured at fair value through profit & loss				
Equity instruments				
Face Value of ₹ 10 each fully paid				
FPEL Sunrise Private Limited	7,17,451	521.07	7,17,451	537.73
FP Crysta Energy Private Limited	7,11,538	521.07	7,11,538	538.92
Total		**1,042.14**		**1,076.65**
Aggregate amount of unquoted investments at cost		1,036.00		1,036.00
Investment Carried at Fair Value through Profit & Loss		1,042.14		1,076.65
Aggregate amount of impairment in value of Investments		-		-

The Company holds more than 20% in the companies listed above. However, the Company does not exercise significant influence or control on decisions of the investees. Hence, they are not being construed as associate companies.

Name of the Investee	Place of business	% Shareholding	
		As at March 31, 2024	As at March 31, 2023
FPEL Sunrise Private Limited	India	33.81%	33.81%
FP Crysta Energy Private Limited	India	33.80%	33.80%

7. NON-CURRENT OTHER FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	131.34	110.60
Interest Receivable - On FDR	-	0.94
Deposits with banks remaining maturity of more than 12 months (refer note 14)	-	32.12
Total	**131.34**	**143.66**

8. NON-CURRENT INCOME TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax recoverable (net of provisions)	559.73	483.94
Deposit against demand	300.00	200.00
Total	**859.73**	**683.94**

9. OTHER NON-CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	85.94	222.43
Deposit with excise/sales tax department under protest	21.10	21.10
Prepaid expenses	50.00	61.83
Total	**157.04**	**305.36**

10. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials (including goods in transit ₹ 7,455.77 Lakhs, previous year ₹ 10,041.04 Lakhs)	16,080.76	20,158.41
Work-in-Progress	2,611.60	2,217.24
Finished Goods (Including goods sold in transit ₹ 720.62 Lakhs, previous year ₹ 674.23 Lakhs)	18,614.47	14,272.15
Packing Material	1,643.39	1,872.20
Stores, Spares & Consumables (including goods in transit ₹ 575.04 Lakhs, previous year ₹ 1,212.03)	2,816.45	2,404.68
Total	**41,766.67**	**40,924.68**

Write down of Inventories to net realisable value by ₹ 227.75 Lakhs (Previous year ₹ 193.48 Lakhs) were recognised as expense during the year and included in "Changes in inventories of Finished goods, stock-in-trade and work-in-progress" in statement of Profit & Loss.

Inventories have been pledged as security for borrowings, refer note 20 and note 26 for details.

11. CURRENT INVESTMENT

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Quoted		
Investment measured at fair value through profit & loss		
DSP NIFTY 1D Rate Liquid ETF * 50,000 units (previous year Nil)	500.00	-
Nippon India Ultra Short Duration Fund - Direct Growth Nil (previous year 802.197 units)	-	30.02
Baroda BNP Paribas Arbitrage Fund Direct Growth 2,31,13,375.256 units (previous year Nil)	3,569.93	-
Nippon India Arbitrage Fund - Direct Growth 58,10,535.292 units (previous year Nil)	1,518.65	-
Total	**5,588.58**	**30.02**
Aggregate amount of quoted investments at Cost	5,524.81	29.84
Aggregate amount of quoted Investments at Market value	5,588.58	30.02
Aggregate amount of impairment in value of Investments	-	-

* Pledged with Consortium Securities Pvt Ltd as margin money to secure the transactions related to hedging instruments vide currency derivatives.

12. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	11,902.87	13,091.40
Trade receivables which have significant Increase in Credit risk	19.80	57.86
Trade receivables - Credit impaired	-	-
	11,922.67	13,149.26
Less: Allowance for doubtful trade receivables [refer note 52(II)(a)]	14.81	41.73
Total	**11,907.86**	**13,107.53**

There are no trade receivables which are due from directors or other officers of the Company either severally or jointly with any other person. Also, there are no trade receivables which are due from firms or private companies, in which any director is a partner, a director or a member.

Trade Receivables have been pledged as security for borrowings, refer note 20 and note 26 for details.

Trade Receivable Ageing Schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables							
– considered good	9,094.75	2,808.12	-	-	-	-	11,902.87
– which have significant increase in credit risk	-	-	0.08	2.83	-	-	2.91
– credit impaired	-	-	-	-	-	-	-

Trade Receivable Ageing Schedule as at March 31, 2024 (Contd.)

(₹ in Lakhs)

Particulars	Amount not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Disputed Trade Receivables							
– considered good	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	16.89	16.89
– credit impaired	-	-	-	-	-	-	-

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Trade Receivable Ageing Schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Amount not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables							
– considered good	9,331.79	3,759.61	-	-	-	-	13,091.40
– which have significant increase in credit risk	-	-	3.03	-	-	-	3.03
– credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
– considered good	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	54.83	54.83
– credit impaired	-	-	-	-	-	-	-

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

13. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
Balances with Banks	442.93	192.89
Cash on hand	4.48	8.79
Deposits with original maturity of less than 3 months	-	5,002.00
Total	**447.41**	**5,203.68**

14. BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENT)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Earmarked balances with bank		
Unpaid dividend account *	6.75	2.41
Unspent CSR account *	268.98	-
Other Bank balances		
Deposits with original maturity of less than 3 months **	-	83.22

14. BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENT) (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity for more than 3 months but upto 12 months **	2,621.05	2,758.36
Deposits with original maturity of more than 12 months **	750.00	1,560.72
Total	**3,371.05**	**4,402.30**
Less: Amount disclosed under non-current financial assets (refer note 7)	-	32.12
Total	**3,646.78**	**4,372.59**

*The balances are not available with the Company for utilisation.

**Deposits are in the nature of Margin Money pledged with banks against Bank Guarantee's given/Letter of Credit's established by the bank.

15. CURRENT FINANCIAL ASSETS - LOANS

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advances/Loan to employees	55.22	60.39
Total	**55.22**	**60.39**

There are no loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment granted to promoters, directors, KMPs and related parties.

16. OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Insurance claims receivable	9.20	14.82
Interest Receivable - On FDR	86.42	91.16
Interest Subsidy Receivable	27.63	28.59
Derivative Financial Assets	-	9.67
Total	**123.25**	**144.24**

17. OTHER CURRENT ASSETS

(Unsecured, considered good unless otherwise stated)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to suppliers	528.31	95.17
Deposit with related parties (refer note 46)	9.75	10.78
GST Refund claim with statutory authority	4,293.39	4,081.54
Balance with the statutory/Government authorities*	3,860.99	5,552.03
Export Incentive Receivable	16.72	49.36
Electricity Duty Refundable	405.85	405.85
Prepaid expenses	145.49	101.26
License Scrips in Hand	20.95	73.96
Others	1.52	4.01
Total	**9,282.97**	**10,373.96**

* Includes ₹ 1,126.92 Lakhs (previous year ₹ 3,144.76) against provisional IGST input credit in the matter of pre-import condition.

18. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised		
60,00,00,000 Equity Shares of ₹ 1/- each (March 31, 2023: 60,00,00,000 equity shares of ₹ 1/- each)	6,000.00	6,000.00
Total	**6,000.00**	**6,000.00**
Issued, subscribed and fully paid-up shares		
44,38,55,500 Equity Shares of ₹ 1/- each fully paid (March 31, 2023: 44,30,11,250 equity shares of ₹ 1/- each fully paid)	4,438.56	4,430.11
Total	**4,438.56**	**4,430.11**

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	₹ In Lakhs	No of Shares	₹ In Lakhs
At the beginning of the Year	44,30,11,250	4,430.11	22,52,65,250	4,505.31
Add: Shares issued during the year under ESOP	8,44,250	8.44	4,90,375	9.80
Less: Shares extinguished on buyback	-	-	(42,50,000)	(85.00)
Add: Increase on account of Share Split*	-	-	22,15,05,625	-
Outstanding at the end of the year	44,38,55,500	4,438.55	44,30,11,250	4,430.11

* The Board of Directors of the Company in their meeting held on November 08, 2022 recommended the sub-division of existing equity share having face value of ₹ 2/- each fully paid up into equity share having face value of ₹ 1/- each fully paid up. The above sub-division has been approved by the shareholders of the Company through postal ballot on December 14, 2022.

b. Terms/rights attached to equity shares

1. The Company has only one class of equity shares having a par value of ₹ 1/- per share (previous year ₹ 1/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.
2. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Equity shares of ₹ 1/- each fully paid up				
Madhu Sudhan Bhageria	3,78,97,738	8.54%	3,78,97,738	8.55%
Purrshottam Bhaggeria	4,24,44,280	9.56%	4,24,44,280	9.58%
Madhav Bhageria	4,30,77,498	9.71%	4,30,77,498	9.72%
Azimuth Investments Ltd.	3,64,19,612	8.21%	3,64,19,612	8.22%
Janus Infrastructure Projects Private Limited	2,74,89,980	6.19%	2,74,89,980	6.21%
Nouvelle Securities Private Limited	2,47,90,854	5.59%	2,47,90,854	5.60%

As per records of the Company including its register of shareholders/members, the above share holding represents both legal and beneficial ownership of shares.

d. Equity share movement during the 5 years preceding March 31, 2024

Equity shares extinguished on buy-back

The Company bought back 42,50,000 fully paid equity shares having face value of ₹ 2 each for an aggregate amount of ₹ 5,950 Lakhs being 1.89% of the total paid up equity share capital at ₹ 140 per equity share. The equity shares bought back were extinguished on June 03, 2022.

e. Details of shares held by Promoters (including promoter group)

As at March 31, 2024

Name of the promoter	No. of Shares at the beginning of year	Change during the year	No. of Shares at the end of the year	% of Total Shares	% of change during the year
Equity shares of ₹ 1/- each fully paid up					
Promoter					
Madhav Bhageria	4,30,77,498	-	4,30,77,498	9.71%	Nil
Purrshottam Bhaggeria	4,24,44,280	-	4,24,44,280	9.56%	Nil
Madhu Sudhan Bhageria	3,78,97,738	-	3,78,97,738	8.54%	Nil
Promoter's Group					
Azimuth Investments Limited	3,64,19,612	-	3,64,19,612	8.21%	Nil
Janus Infrastructure Projects Private Limited	2,74,89,980	-	2,74,89,980	6.19%	Nil
Nouvelle Securities Private Limited	2,47,90,854	-	2,47,90,854	5.59%	Nil
Fargo Estates Private Limited	1,60,04,014	-	1,60,04,014	3.61%	Nil
Anu Bhageria	1,13,56,996	-	1,13,56,996	2.56%	Nil
Vrinda Bhageria	1,08,70,536	-	1,08,70,536	2.45%	Nil
Gunjan Bhageria	95,25,300	-	95,25,300	2.15%	Nil
Shefali Bhageria	86,04,612	-	86,04,612	1.94%	Nil
Vedansh Bhageria	76,11,666	-	76,11,666	1.71%	Nil
Yaduraj Bhageria	48,30,482	-	48,30,482	1.09%	Nil
Stuti Bhageria	40,59,554	-	40,59,554	0.91%	Nil
SMC Yarns Private Limited	19,95,624	-	19,95,624	0.45%	Nil
Fabiola Farms & Dairy Products Private Limited	4,55,726	-	4,55,726	0.10%	Nil
Total	**28,74,34,472**	**-**	**28,74,34,472**	**64.76%**	**0.00%**

As at March 31, 2023

Name of the promoter	No. of Shares at the beginning of year *	Change during the year *	No. of Shares at the end of the year	% of Total Shares	% of change during the year
Equity shares of ₹ 1/- each fully paid up					
Promoter					
Madhav Bhageria	4,38,49,596	(7,72,098)	4,30,77,498	9.72%	-1.76%
Purrshottam Bhaggeria	4,34,73,596	(10,29,316)	4,24,44,280	9.58%	-2.37%
Madhu Sudhan Bhageria	3,86,23,598	(7,25,860)	3,78,97,738	8.55%	-1.88%
Promoter's Group					
Azimuth Investments Limited	3,73,00,000	(8,80,388)	3,64,19,612	8.22%	-2.36%
Janus Infrastructure Projects Private Limited	2,80,42,070	(5,52,090)	2,74,89,980	6.21%	-1.97%
Nouvelle Securities Pvt Ltd	2,52,13,802	(4,22,948)	2,47,90,854	5.60%	-1.68%
Fargo Estates Private Limited	1,64,00,000	(3,95,986)	1,60,04,014	3.61%	-2.41%

As at March 31, 2023 (Contd.)

Name of the promoter	No. of Shares at the beginning of year *	Change during the year *	No. of Shares at the end of the year	% of Total Shares	% of change during the year
Anu Bhageria	1,16,38,000	(2,81,004)	1,13,56,996	2.56%	-2.41%
Vrinda Bhageria	1,11,38,402	(2,67,866)	1,08,70,536	2.45%	-2.40%
Gunjan Bhageria	97,50,404	(2,25,104)	95,25,300	2.15%	-2.31%
Shefali Bhageria	88,16,404	(2,11,792)	86,04,612	1.94%	-2.40%
Vedansh Bhageria	78,00,000	(1,88,334)	76,11,666	1.72%	-2.41%
Yaduraj Bhageria	49,50,000	(1,19,518)	48,30,482	1.09%	-2.41%
Stuti Bhageria	41,60,000	(1,00,446)	40,59,554	0.92%	-2.41%
SMC Yarns Pvt Ltd	20,45,000	(49,376)	19,95,624	0.45%	-2.41%
Fabiola Farms & Dairy Products Pvt. Ltd	4,67,000	(11,274)	4,55,726	0.10%	-2.41%
Total	**29,36,67,872**	**(62,33,400)**	**28,74,34,472**	**64.88%**	**-2.12%**

* Due to share split, number of equity shares has been restated from ₹ 2 per equity share to ₹ 1 per equity share.

f. Shares reserved for issue under Options:

For details of shares reserved for issue under the Employee Stock option Scheme (ESOS) of the Company, (refer note 50).

g. Distribution made and proposed

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Dividend on equity shares declared and paid		
Final dividend for the year ended on March 31, 2023 @ ₹ 0.15 per share of face value of ₹ 1 each [for the year ended March 31, 2022: 0.20 per share of face value of ₹ 2 each]	665.78	443.01

The difference in the proposed dividend and actual paid is due to increase in share capital on issue of ESOP on or before the record date for payment of dividend.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Proposed dividend on equity shares		
Final dividend for the year ended on March 31, 2024: ₹ 0.20 per share of face value of ₹ 1 each [March 31, 2023: @ 0.15 per share of face value of ₹ 1 each]	887.71	664.52

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at balance sheet date.

h. Shares held by holding Company or its subsidiaries/their Associates

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
No. of Shares	Nil	Nil

19. OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Reserve	1,253.11	1,253.11
Capital Redemption Reserve	1,335.00	1,335.00
Securities Premium	7,167.20	7,053.86
General Reserve	679.84	610.07
Employee Stock Option Outstanding	59.50	64.56
Retained Earnings [Surplus/(deficit)]	1,06,166.62	96,967.95
Less: Dividend (Final) [refer note 18(g)]	(665.78)	(443.01)
Less: Share issue & buyback expenses	-	(58.00)
Less: Tax paid on Shares Buyback	-	(1,366.31)
Total Reserve and Surplus	**1,15,995.49**	**1,05,417.23**
Other Comprehensive Income (OCI)	**(25.31)**	**54.45**
Total	**1,15,970.18**	**1,05,471.68**

Nature and Purpose of Reserves

a) Capital Reserve

Capital Reserve was created under the previous GAAP on account of Capital profit in settlement with IDBI Bank and on redemption of certain preference shares.

b) Capital Redemption Reserve

Capital Redemption Reserve was created on redemption of Preference shares and purchase of its own shares out of free reserves of the Company in accordance with the requirements of Companies Act. This can be utilized in accordance with the provisions of the Companies Act, 2013.

c) Securities Premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This can be utilized in accordance with the provisions of the Companies Act, 2013.

d) General Reserve

This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

e) Employee Stock Option Outstanding

The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

f) Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfer to General Reserve, dividends or other distributions paid to the shareholders.

20. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From Banks		
(i) Term Loans		
- Rupee loans	7,485.62	8,906.69
- External Commercial Borrowing (ECB)	15,534.66	20,604.48
(ii) Vehicle Loans	151.79	-
Total	**23,172.07**	**29,511.17**
Less: Current maturity (refer note 26)	3,692.10	4,651.19
Total	**19,479.97**	**24,859.98**

I. Term loans

a) From Indian Banks

From banks under consortium arrangement lead by PNB and member bank BOB ₹ 7,485.62 Lakhs (net of transaction cost of ₹ 58.49 Lakhs) [previous year ₹ 8,906.69 Lakhs (net of transaction cost of ₹ 81.41 Lakhs)]. Rupee term loan bear floating interest rate at 1Y MCLR to 1Y MCLR +0.25% are repayable in ballooning quarterly instalments and is secured by equitable mortgage created/extended by way of deposit of title deeds on pari passu basis in respect of immovable property at Dahej (land & buildings) and first charge by way of hypothecation of Company's all movable & immovable assets pertaining to specific loan (also save & except vehicles, plant & machinery and equipment acquired through specific loans) and personal guarantees of the promoter directors. These loans are further secured by second pari passu charge by way of hypothecation all other movable & immovable assets including mortgage of other properties of the Company and inventory of raw material, finished goods, semi-finished goods, stores & spares, book debts and other receivables (both present and future).

b) External Commercial Borrowings (ECB) From Foreign Consortium Banks

(i) ₹ 8,240.33 Lakhs (net of transaction cost ₹ 257.98 Lakhs) [previous Year ₹ 10,157.10 Lakhs (net of transaction cost ₹ 396.97 Lakhs)], are secured by first priority exclusive charge over Fully Drawn Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loan is repayable in 20 half yearly equal instalments that commenced from September 2018 and bear Interest at 6M Euribor + 1.10% p.a.

(ii) ₹ 3,396.40 Lakhs (net of transaction cost ₹ 75.90 Lakhs) [previous Year ₹ 4,307.61 Lakhs (net of transaction cost ₹ 126.58 Lakhs)], are secured by first priority exclusive charge over Partial Oriented Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loans are repayable in 14 half yearly equal instalments that commenced from December 2019 and bear Interest at 6M Euribor + 0.80% p.a.

(iii) ₹ 3,897.93 Lakhs (net of transaction cost ₹ 138.61 Lakhs) [previous Year ₹ 4,544.75 Lakhs (net of transaction cost ₹ 193.44 Lakhs)], are secured by first priority exclusive charge over Partial Oriented Yarn spinning machinery and equipment's thereof and personal guarantee of promoter directors. The loans are repayable in 16 half yearly equal instalments that commenced from February 2023 and bear Interest at 6M Euribor + 0.88% p.a.

II. Vehicle loans are secured by hypothecation of specific vehicles acquired out of proceeds of the Loans. The said loans carry interest rate 8.85% p.a and repayable in 60 Equated Monthly instalments till July 2028.

III. The Company has used the borrowings from banks and financial institution for the specific purpose for which it was taken at the balance sheet date.

IV. As on the balance sheet date, there is no default in repayment of loan and interest.

21. NON-CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability (refer note 47)	68.78	112.58
Total	**68.78**	**112.58**

22. NON-CURRENT OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Dealer's Deposits	398.72	300.36
Derivative Financial Liabilities (Foreign currency forward contracts)	102.57	-
Total	**501.29**	**300.36**

23. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity^ (refer note 48)	771.54	624.70
Provision for Leave Encashment*	333.03	**391.15**
Total	**1,104.57**	**1,015.85**

^ Includes an amount of ₹ 80.23 Lakhs (previous year ₹ 74.86 Lakhs) due to related party (refer note 46).

* Includes an amount of ₹ 39.33 Lakhs (previous year ₹ 33.30 Lakhs) due to related party (refer note 46).

24. DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
A. Components of Income Tax Expense		
I. Tax expense recognised to Statement of Profit & Loss		
a) Current Tax		
- Current year	3,018.82	3,554.70
- Adjustment/(credits) related to previous years (net)	(72.68)	1.69
Total (a)	**2,946.14**	**3,556.39**
b) Deferred Tax		
- Relating to origination and reversal of Temporary differences	954.66	(337.89)
- Adjustment/(credits) related to previous years (net)	76.37	-
Total (b)	**1,031.03**	**(337.89)**
Income tax expense reported in the Statement of Profit & Loss (a+b)	**3,977.17**	**3,218.50**
II. Tax on other comprehensive income		
Deferred Tax		
- (Gain)/loss on remeasurement of net defined benefit plans	26.83	(8.02)
Total	**26.83**	**(8.02)**
B. Reconciliation of tax expense to the accounting profit is as follows		
Accounting Profit before income tax	15,043.16	12,208.06
India's statutory Income tax rate (%)	25.168%	25.168%
Tax on accounting profit at above rate	3,786.06	3,072.52
Adjustments in respect of Income tax of Previous years	3.69	1.69
Non-deductible/(deductible) expenses for Tax purposes		
- CSR expenditure	142.00	140.11
- Depreciation on leasehold land	1.93	1.92
- Employee share based payment expense	16.29	4.63
- Effect of deferred tax on transactions due to the changes in Income tax rate	0.63	0.52
- Effect of deduction allowed under income tax act	(46.91)	(15.53)
- Others	73.48	12.64
Income tax expense reported in the statement of Profit & Loss	**3,977.17**	**3,218.50**

The Company has recognised tax expense for the year ended March 31, 2024 on the basis of rate prescribed under Section 115BAA. The tax rate used for calculation is 25.168%.

C. Movement in Deferred Tax Assets and Liabilities

(₹ in Lakhs)

Particulars	As at April 01, 2022	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2023	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2024
a) Deferred tax liabilities							
- On property, plant and equipments	13,837.63	777.25	-	14,614.88	632.94	-	15,247.82
- On fair value gain/(loss) on Property, Plant & Equipment	1,065.47	(9.48)	-	1,055.99	(10.86)	-	1,045.13
- Interest Subsidy Deferred	328.09	(320.89)	-	7.20	(0.24)	-	6.96
- Right to use asset	28.24	(6.64)	-	21.60	(6.64)	-	14.96
- on Fair Value changes at FVTPL on Investments	-	10.28	-	10.28	7.30	-	17.58
Total deferred tax liabilities	**15,259.43**	**450.52**	**-**	**15,709.95**	**622.50**	**-**	**16,332.45**

C. Movement in Deferred Tax Assets and Liabilities (Contd.)

(₹ in Lakhs)

Particulars	As at April 01, 2022	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2023	Charge/ (Credit) in the statement of Profit and Loss	Charge/ (Credit) in other Comprehensive income	As at March 31, 2024
b) Deferred tax assets							
- On Provision for Doubtful Debts and advances	21.28	(10.78)	-	10.50	(6.78)	-	**3.72**
- Lease liability and other	49.72	(8.33)	-	41.39	(11.93)	-	**29.46**
- Expense not allowed under income tax on provision, will be allowed on payment	-	524.51	-	524.51	(383.16)		**141.35**
- On exchange variation on capital goods charged to P&L	247.55	249.27	-	496.82	(67.57)	-	**429.25**
- On provision for compensated absences (Bonus & Leave encashment)	168.82	4.02	-	172.84	23.16	-	**196.00**
- On Gratuity and other Employee Benefits	223.65	29.72	(8.02)	245.35	37.75	26.83	**309.93**
Total deferred tax assets	**711.02**	**788.41**	**(8.02)**	**1,491.41**	**(408.53)**	**26.83**	**1,109.71**
Total deferred tax liabilities (Net)	**14,548.41**	**(337.89)**	**8.02**	**14,218.54**	**1,031.03**	**(26.83)**	**15,222.74**

D. Unabsorbed tax depreciation can be claimed for an infinite period.

25. NON-CURRENT OTHER LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income * (refer note 49)	2,512.24	2,656.28
Total	**2,512.24**	**2,656.28**

* Represents government assistance in the form of duty saved under Export promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over useful life of such assets.

26. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
From Banks (Secured)		
(i) Working Capital		
- Rupee loans	-	687.41
Current maturity of long term borrowings (refer note 20)		
From Banks (secured)		
(i) Term Loans		
- External Commercial Borrowings	3,662.04	4,651.19
(ii) Vehicle Loans	30.06	-
Total	**3,692.10**	**5,338.60**

I. Working capital loans from consortium member banks (Punjab National Bank, Bank of Baroda, Indusind Bank Ltd. and Yes Bank Ltd.) are secured by first charge by way of hypothecation of inventory of raw materials, finished goods, semi finished goods, stores and spares, book debts and other receivables (both present and future) and first charge on mortgage on immovable properties (save & except mortgage on property at Dahej (land & building), plant & machinery acquired for the power plant alongwith vehicles and plant & machinery acquired out of specific loan(s)) on pari passu basis and are further secured by way of second charge on block of fixed assets of the Company (save & except vehicles and plant & machinery acquired out of specific loan(s)) and personal guarantees of promoter directors. These loans are repayable on demand. Rupee working capital loan carry an interest at 1 Year MCLR to 1Year MCLR + 0.25%.

II. Disclosure of returns/Statements submitted by the Company to the bank on quarterly basis in respect of borrowings: Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

III. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.

27. CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liability (refer note 47)	43.80	39.82
Total	**43.80**	**39.82**

28. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payable		
Dues of other than micro & small enterprises		
- Acceptances - Foreign	4,206.04	22,721.36
- Acceptances - Domestic	13,249.10	11,294.25
- Others	20,371.66	5,330.88
Dues of micro & small enterprises (refer note 44)	1,244.90	1,379.85
Total	**39,071.70**	**40,726.34**

Trade Payables Ageing Schedule as at March 31, 2024

(₹ in Lakhs)

Particulars	Amount not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Dues of micro and small enterprises	1,244.90	-	-	-	-	1,244.90
Dues of creditors other than micro and small enterprises	37,548.50	278.30	-	-	-	37,826.80
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-

There are no unbilled trade payables, hence the same is not disclosed in the ageing schedule.

Trade Payables Ageing Schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Amount not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Dues of micro and small enterprises	1,379.85	-	-	-	-	1,379.85
Dues of creditors other than micro and small enterprises	38,941.28	405.21	-	-	-	39,346.49
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-

There are no unbilled trade payables, hence the same is not disclosed in the ageing schedule.

29. CURRENT OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued *	779.72	2,270.37
Security Deposit	75.51	56.59
Unpaid dividend (To be transferred to Investor Education & Protection Fund as & when due)	6.75	2.41
Expenses payable#	1,864.48	2,212.44
Derivative Financial Liabilities (Foreign currency forward contracts)	27.31	-
Capital Creditors	107.38	40.74
Payable other than trade	2,112.02	3,076.69
Total	**4,973.17**	**7,659.24**

*Includes provision of ₹ 561.63 Lakhs (previous year ₹ 2,035.81 Lakhs) on GST demand in the matter of pre-import condition.

#Amount includes ₹ 111.49 Lakhs (previous year ₹ 83.75 Lakhs) payable to KMP's (refer note 46).

30. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	159.41	164.59
Deferred Income* (refer note 49)	143.13	142.27
Custom Duty payable#	1,126.92	3,144.76
Dues to statutory authorities	173.29	321.09
Liability towards corporate social responsibility	315.57	270.50
Total	**1,918.32**	**4,043.21**

*Represents government assistance in the form of duty saved under Export promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over useful life of such assets.

#Represents provision of IGST liability in the matter of pre-import condition.

31. CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (refer note 48)	459.93	350.16
Provision for Leave Encashment	233.22	95.08
Total	**693.15**	**445.24**

32. INCOME TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for tax (net of advance tax)	74.28	-
Total	**74.28**	**-**

33. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from Contracts with Customers		
Sale of products	4,24,646.55	4,25,260.81
Sale of traded goods	3,009.96	3,772.62
Other operating revenue	933.80	1,353.89
Total	**4,28,590.31**	**4,30,387.32**

Other operating revenue comprising the following

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Other operating revenue		
Sales of scrap	816.11	995.31
Sales of service	10.42	54.38
Export incentives earned	107.27	304.20
Total	**933.80**	**1,353.89**

Reconciliation of Gross Revenue with the Revenue from contracts with customers

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per Contract Price	4,30,110.76	4,31,456.48
Less: Discounts & Rebates	1,627.72	1,373.36
Net Revenue recognised from contracts with customers	**4,28,483.04**	**4,30,083.12**

Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contract liabilities		
Advance from customers	159.41	164.59
Total	**159.41**	**164.59**
Receivables		
Trade receivables	11,922.67	13,149.26
Less: Allowances for expected credit loss	14.81	41.73
Net receivables	**11,907.86**	**13,107.53**

Contract assets is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration from the customer in advance.

Significant changes in the contract liabilities balances during the year are as follows

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	164.59	155.03
Addition during the year	159.41	164.59
Revenue recognised during the year	(164.59)	(155.03)
Closing balance	**159.41**	**164.59**

34. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income on		
a) Financial assets held at amortised cost		
Fixed deposits with banks	423.30	491.04
Others	400.79	497.09
Other Non-Operating Income		
Net gain on Fair Value changes at FVTPL on Investments	29.05	40.83
Net gain on sale of investment measured at FVTPL	354.20	337.01
Net gain on sale of property, plant and equipment [Net of loss of ₹ 0.33 Lakhs (previous year ₹ 0.10 Lakhs)]	20.97	22.09
Income recognised on account of Government assistance * (Refer note 49)	143.19	133.71
Provision for Doubtful Debts written back	-	42.81
Miscellaneous Income	31.47	29.47
Sundry balances written back	16.60	28.64
Total	**1,419.57**	**1,622.69**

* Represents government assistance in the form of duty saved benefit availed under Export promotion Capital Goods (EPCG) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over useful life of such assets.

35. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Raw Material	3,40,480.97	3,32,512.98
Packing Material	14,284.03	15,196.87
Consumables	1,459.18	1,526.33
Total	**3,56,224.18**	**3,49,236.18**

36. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Closing stock		
- Finished goods	18,614.48	14,272.15
- Work-in-Progress	2,611.60	2,217.24
Total	**21,226.08**	**16,489.39**
Opening stock		
- Finished goods	14,272.15	16,819.46
- Work-in-Progress	2,217.24	1,488.75
Total	**16,489.39**	**18,308.21**
Total (increase)/decrease	**(4,736.69)**	**1,818.82**

37. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	9,260.11	8,465.01
Contribution to provident & other funds	433.73	367.36
Employee Stock Option expense (refer note 50)	64.71	18.38
Gratuity (refer note 48)	144.26	116.31
Staff welfare expenses	294.97	245.93
Total	**10,197.78**	**9,212.99**

38. FINANCE COST

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest		
- on term loans	1,682.65	1,250.71
- on working capital & others	53.20	111.45
- on GST demands *	-	2,035.81
- on lease liabilities (refer note 47)	15.24	18.70
- on defined benefit Plan (refer note 48)	70.19	54.20
Exchange difference regarded as an adjustment to borrowing cost	277.42	1,346.24
Other borrowing cost	812.19	1,121.25
Total	**2,910.89**	**5,938.36**

* Is in respect of provision in the matter of pre-import condition.

39. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Manufacturing expenses		
Consumption of stores and spares	3,084.16	2,876.98
Power & fuel	29,283.42	32,663.36
Total manufacturing expenses (A)	**32,367.58**	**35,540.34**
Selling expenses		
Market development expenses	115.80	113.68
Freight outward	700.12	730.59
Commission on sales	3,427.67	3,537.17
Total selling expenses (A)	**4,243.59**	**4,381.44**
Administration and other expenses		
Rent	208.07	201.70
Repair & maintenance		
- Machinery	403.19	461.82
- Building	113.50	105.41
- Others	268.22	314.83
Research & development expenses	186.11	117.44
Insurance	324.01	297.69
Rates & taxes	53.70	52.15
Auditors' remuneration (refer note 43)	30.84	28.21
Electricity & water expenses	69.97	64.45

39. OTHER EXPENSES (Contd.)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Printing & stationery	50.53	47.90
Postage, telephone & telegram	49.26	48.38
Travelling & conveyance	494.76	441.13
Vehicle running & maintenance	124.01	143.94
Legal & professional charges	365.84	350.03
Directors' sitting fees	10.60	9.80
Security services	3.68	4.02
Expenditure towards Corporate Social Responsibility (refer note 42)	564.19	556.68
General expenses	91.76	78.20
Donation & charity (Other than Political Parties)	1.81	2.55
Advertisement & publicity	6.45	7.20
Membership & subscription	52.35	54.66
Provision for Doubtful Debts	1.53	-
Bad Debts Written Off ₹ 37.93 Lakhs net of provision of ₹ 28.45 Lakhs [Previous year: ₹ Nil]	9.48	-
Total administrative & other expenses (C)	**3,483.86**	**3,388.19**
Total (A + B + C)	**40,095.03**	**43,309.97**

40. EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit/(loss) for calculation of basic/diluted EPS (₹ in Lakhs)	11,065.99	8,989.56
Reconciliation of number of shares		
Weighted average number of shares in calculating Basic EPS	**44,37,40,003**	**44,42,81,414**
Effect of Dilution		
Effect of dilutive issue of stock option (ESOS)	4,53,372	7,54,998
Weighted average number of shares in calculating Diluted EPS	**44,41,93,375**	**44,50,36,412**
Nominal Value of each share	1	1
Earning per share		
Basic (₹)	2.49	2.02
Diluted (₹)	2.49	2.02

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity Shares.

41. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

i) Contingent liabilities

(₹ in Lakhs)

Particulars			As at March 31, 2024	As at March 31, 2023
A.	**Claims against the Company not acknowledged as debts**			
	a)	Excise/Custom duty/Goods and Service tax (GST) (Mainly relating to reversal of Cenvat credit)	530.70	594.00
	b)	Amount of duty saved on import of plant & machinery under EPCG scheme on pending export obligations	3,060.09	1,866.85
	c)	i) Income Tax Demands	5,380.98	7,328.22
		ii) Income tax Demands set aside by the Order of CIT (Appeal). Income Tax department may file an appeal against the said orders	6,734.30	-
	d)	Other Claims against the Company not acknowledged as debts	434.89	434.89
B.	**Guarantees**			
	a)	Letters of Credits	15,262.38	17,248.54
	b)	Unexpired Bank Guarantees*	11,162.27	5,352.05
C.	**Other money for which the Company is contingently liable**		-	-

D.	1	The Company has filed writ petition in Gujrat High Court at Ahmedabad on March 17, 2022 against the demand raised by Asst. Commissioner, Bharuch for ₹ 2,340.87 Lakhs in respect of ITC on services in the case of inverted duty refunds granted for the period May 2018 to January 2021. Hon'ble High Court has stayed the demand. The Company is entitled to Input Tax credit of alleged excess refund even if the case is decided against the Company. Thus, there would not be any financial impact of the same. However, the Company may have to pay interest which is presently not ascertainable.
	2	DGGI Surat Zonal Unit has issued Show Cause Notice dated January 16, 2023 raising a demand of ₹ 815.81 Lakhs towards IGST amount on deemed supply of services by corporate office of the Company to other distinct persons i.e., manufacturing plants of the Company in other states on account of alleged violation of Section 74(1) of CGST Act, 2017 read with Section 20 of IGST Act, 2017 and Rules made thereunder. The Company has filed reply to the Show Cause Notice on April 03, 2023. Even in case of adverse decision of competent authority there would not be any liability on the Company, since the Company would be entitled to input tax credit. However, the Company may be liable to pay interest if any which is presently not ascertainable.
	3	Hon'ble Gujarat High Court vide its order dated Feburary 18, 2022 had quashed and set aside the order dated July 19, 2021 passed by Joint Commissioner CGST & Central Excise raising a demand for alleged excess GST refunds of ₹ 8,537.07 Lakhs, with the direction for reassessment. On reassessment excess refund of ₹ 2,301.11 Lakhs has been determined for the period January 2018 to October 2019. The Company is in appeal against the reassessment orders. The Company is entitled to Input Tax credit of alleged excess refund. Thus, there would not be any financial impact of the same. The Company may have to pay interest which is presently not ascertainable.
	4	During FY 2023-24 the Company has received three show cause notices for an aggregate amount of ₹ 28,771.16 Lakhs on the ground of Inverted Duty Refunds under rule 89(5) of CGST Rules, 2017 granted erroneously for the period January 2018 to January 2023. The Company has filed writ petition with Hon'ble High Court of Gujarat at Ahmedabad against each of the three show cause notices. The Company is quiet hopeful of a favorable decision in its favour. Even in case of adverse decision the Company will be entitled to input tax credit of the GST amount. However, in case of an adverse order the Company will be liable for interest.
	5	The aforementioned amounts under disputes as per the demands from various authorities fro the respective periods and has not been adjusted to include further interest and penalty leviable, if any, at the time of final outcome of the appeals.

*Guarantees issued by banks are secured by way of first pari-passu charge and hypothecation of stock and book debts of the Company.

The Company does not expect any reimbursement in respect of the above contingent liabilities and it is not practicable to estimate the timings of the cash flows, if any. In respect of the matters pending resolution of the arbitration/appellate proceedings and it is not probable that an outflow of resources will be required to settle the above obligations/claims.

Based on the discussion with the solicitors and as advised, the management and Company's tax advisors believes that there are fair chances of decisions in its favour (in respect of the items listed in A(a) to A(d) & D above). Hence, no provision is considered necessary against the same.

ii) Capital & other commitments

a) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Property, Plant and equipment	387.07	1,524.35

b) Other commitments:

Export obligation of ₹ 17,600.88 Lakhs (previous year ₹ 18,367.18 Lakhs) on account of duty saved on import of plant & machinery under EPCG scheme.

42. AS PER SECTION 135 OF THE COMPANIES ACT, 2013, A COMPANY, MEETING THE APPLICABILITY THRESHOLD, NEEDS TO SPEND AT LEAST 2% OF ITS AVERAGE NET PROFIT FOR THE IMMEDIATELY PRECEDING THREE FINANCIAL YEARS ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Disclosure in respect of CSR expenditure is as follows:

(₹ in Lakhs)

Particulars			For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Gross amount required to be spent by the Company during the year		552.98	550.56
	Income earned on FD made from unspent Escrow account (net of Tax expenses)		-	6.12
	Total Gross amount required to be spent by the Company during the year		552.98	556.68
b)	Amount approved by the board to be spent during the year		552.98	556.68
c)	Amount spent during the year on the following:			
	1	Construction/acquisition of asset	-	-
	2	Spent on going project	375.77	145.87
	3	On purposes other than 1 & 2 above	128.35	140.31
d)	Shortfall at the end of the year		48.86	270.50
e)	Total of previous year shortfall		266.71	-
f)	Reason for Shortfall		Pertains to Ongoing project	Pertains to Ongoing project
g)	Nature of CSR Activities		Direct expenditure on rural development, promoting healthcare, education, women empowerment etc and Contribution to Charitable Trusts.	
h)	Details of related party transactions in relation to CSR expenditure as per Indian Accounting Standard			
	Contribution to Lala Govindramjee charitable society		384.49	374.44
i)	Whether a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year.		N.A.	N.A.

Details of ongoing project and other than ongoing project

In case of Section 135(6) (Ongoing Project)

(₹ in Lakhs)

Opening Balance		Income earned on FD made from unspent Escrow account (net of Tax expenses)	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c			From Company's Bank A/c	From separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
270.50	-	11.21	418.35	369.49	15.00	48.86	266.71

In case of Section 135(5) (Other than Ongoing Project)

(₹ in Lakhs)

Opening Balance	Amount deposited in Specified Fund of Schedule VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
-	-	128.35	128.35	-

43. STATUTORY AUDITOR'S REMUNERATION (Net of GST)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As Auditors		
a) Audit fees (including fees for limited review)	24.00	22.50
b) Tax audit fees	5.00	4.50
In other capacity		
c) Other services (certification charges) *	0.37	0.48
d) Reimbursement of Expenses	1.47	0.83
Total	**30.84**	**28.31**

* Includes ₹ Nil (previous year ₹ 0.10 Lakhs) accounted under Share issue & buyback expenses.

44. DETAILS OF DUES TO MICRO & SMALL ENTERPRISES AS PER MICRO, SMALL & MEDIUM ENTERPRISES DEVELOPMENT (MSMED) ACT, 2006

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
i)	The principal amount & the interest due thereon remaining unpaid at the end of the year		
	Principal Amount	1,244.90	1,379.85
	Interest Due thereon	-	-
ii)	Payments made to suppliers beyond the appointed day during the year		
	Principal Amount	-	123.99
	Interest Due thereon	-	1.33
iii)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-
iv)	The amount of interest accrued and remaining unpaid at the end of the year; and	-	-
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprises as per MSMED Act, 2006 on the basis of information available with the Company. In cases of confirmation from vendors, interest for delayed payments has not been provided amounting to ₹ Nil Lakhs (Previous Year ₹ 1.33 Lakhs).

45. SEGMENT INFORMATION

The Company is primarily engaged in manufacture and trading of synthetic yarn and textiles which is considered as the only reportable business segment. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. He evaluates The Company's performance and allocates resources based on analysis of various performance indicators by geographical areas only.

Information About Reportable Segment

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
External revenue in the above reportable business segment	4,28,590.31	4,30,387.32

Information About Geographical Areas

a.Revenue from contracts with customers disaggregated based on geography

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	4,24,729.42	4,21,051.40
Outside India	3,860.89	9,335.92
Total	**4,28,590.31**	**4,30,387.32**

b. Non-current assets (other than financial instruments and tax assets)

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	1,34,912.90	1,35,196.49
Outside India	-	-
Total	**1,34,912.90**	**1,35,196.49**

c. Information about major customer

There are no major customers contributing to more than 10% of the total revenue.

46. RELATED PARTY DISCLOSURE

(i) Names of related parties and nature of relationships

a) Key managerial personnel:

i)	Shri Madhu Sudhan Bhageria	(Chairman and Managing Director)
ii)	Shri Purrshottam Bhaggeria	(Joint Managing Director)
iii)	Shri Madhav Bhageria	(Joint Managing Director) & (Chief Financial Officer)
iv)	Shri Ashok Chauhan	(Whole-Time Director)
v)	Shri Swarup Chandra Parija	(Independent - Non-Executive Director)
vi)	Shri Suraj Prakash Setia	(Independent - Non-Executive Director)
vii)	Smt. Pallavi Joshi Bakhru	(Independent - Non-Executive Director)
viii)	Rajender Mohan Malla	(Independent - Non-Executive Director)
ix)	Shri Raman Kumar Jha	(Company Secretary)

(i) Names of related parties and nature of relationships (Contd.)

b) Relative of key managerial personnel:

i)	Smt. Anu Bhageria	(Wife of related party mentioned at a (i) above).
ii)	Smt. Shefali Bhageria	(Wife of related party mentioned at a (ii) above).
iii)	Smt. Gunjan Bhageria	(Wife of related party mentioned at a (iii) above).
iv)	Ms. Vrinda Bhageria	(Daughter of related party mentioned at a (i) above).
v)	Mr. Yaduraj Bhageria	(Son of related party mentioned at a (ii) above).
vi)	Mr. Vedansh Bhageria	(Son of related party mentioned at a (iii) above).
vii)	Ms. Stuti Bhageria	(Daughter of related party mentioned at a (ii) above).
viii)	Mr. Gopal Jha	(Brother of related party mentioned at a (ix) above).
ix)	Ms. Hemlata Agrawal	(Sister of related party mentioned at a (i), (ii) & (iii) above).
x)	Ms. Rama Sutwala	(Sister of related party mentioned at a (i), (ii) & (iii) above).

c) Enterprises owned or significantly influenced by key managerial personnel:

i)	Purrshottam Bhaggeria Family Trust
ii)	Nouvelle Securities Private Limited
iii)	SMC Yarns Private Limited
iv)	Vrinda Farms Private Limited
v)	Maan Softech Private Limited
vi)	Azimuth Investments Limited
vii)	Janus Infrastructure Projects Private Limited
viii)	Hill Estate Private Limited
ix)	Fargo Estates Private Limited
x)	Fabiola Farms & dairy products Private Limited
xi)	Sparsh Property Private Limited
xii)	Lala Govindramjee Charitable society
xiii)	Grant Thornton Bharat LLP
xiv)	Fargo Facilities Management Private Limited

(ii) Transactions with related parties during the year

(₹ in Lakhs)

Nature of Transactions/Particulars	Nature of Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Rent paid			
Vrinda Bhageria	Relative of Key Management Personnel	19.90	20.00
Vedansh Bhageria		14.40	14.00
Yaduraj Bhageria		14.40	14.00
Vrinda Farms Private Limited	Enterprises owned or significantly influenced by Key Managerial Personnel	6.00	19.60
Maan Softech Private Limited		-	15.40
Purrshottam Bhaggeria Family Trust		6.00	20.40
SMC Yarns Pvt Ltd		21.00	19.80
Sparsh Property Private Limited		6.00	2.00
Purchase of Goods & Service			
Hill Estate (P) Ltd.	Enterprises owned or significantly influenced by Key Managerial Personnel	6.60	6.80
Grant Thornton Bharat LLP		2.06	-
Fargo Facilities Management Private Limited		5.25	-

(ii) Transactions with related parties during the year (Contd.)

(₹ in Lakhs)

Particulars		Nature of Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Security Deposit Refund Received				
Vrinda Farms Private Limited			-	2.10
Maan Softech Private Limited			-	3.00
Purrshottam Bhaggeria Family Trust			-	1.50
Security Deposit Paid				
Sparsh Property Private Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	-	1.50
SMC Yarns Private Limited			5.25	-
Share Application Money received (against exercise price of ESOP)				
Ashok Chauhan		Key Managerial Personnel	6.31	18.93
Raman Kumar Jha			1.80	1.80
Money received against Tax on perquisite value of ESOP as on the date of exercise				
Ashok Chauhan		Key Managerial Personnel	3.42	14.75
Inter-Corporate Deposit's (ICD's)				
Nouvelle Securities Pvt Ltd	Taken	Enterprises owned or significantly influenced by Key Managerial Personnel	-	1,100.00
	Repaid		-	1,100.00
	Interest		-	13.59
Azimuth Investments Limited	Taken		-	600.00
	Repaid		-	600.00
	Interest		-	7.05
Janus Infrastructure Projects Private Limited	Taken		-	300.00
	Repaid		-	300.00
	Interest		-	3.53
Contribution towards Corporate Social Responsibility (CSR)				
Lala Govindramjee Charitable Society		Enterprises owned or significantly influenced by Key Managerial Personnel	384.49*	374.44
*Net of amount of ₹ 40.51 Lakhs returned as the same was unutilised.				
Director Sitting Fees				
Swarup Chandra Parija			2.60	2.60
Suraj Prakash Setia			2.60	2.60
Pallavi Joshi Bakhru			3.20	3.40
Rajender Mohan Malla			2.20	1.20
Dividend Paid				
Madhu Sudhan Bhageria		Key Management Personnel	56.84	37.90
Purrshottam Bhaggeria			63.67	42.44
Madhav Bhageria			64.62	43.08
Ashok Chauhan			1.00	0.62
Raman Kumar Jha			0.08	0.04
Azimuth Investments Limited		Enterprises owned or significantly influenced by Key Managerial Personnel	54.63	36.42
Janus Infrastructure Projects Private Limited			41.23	27.36
Nouvelle Securities Pvt Ltd			37.19	24.79
Fargo Estates Pvt Ltd.			24.01	16.00
SMC Yarns Pvt Ltd			2.99	2.00
Fabiola Farms & dairy products Pvt Ltd.			0.68	0.46

(ii) Transactions with related parties during the year (Contd.)

(₹ in Lakhs)

Particulars	Nature of Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Anu Bhageria	Relative of Key Management Personnel	17.03	11.36
Vrinda Bhageria		16.31	10.87
Gunjan Bhageria		14.29	9.53
Shefali Bhageria		12.91	8.60
Vedansh Bhageria		11.42	7.61
Yaduraj Bhageria		7.25	4.83
Stuti Bhageria		6.09	4.06
Hemlata Agrawal		0.34	0.21
Rama Sutwala		0.10	0.07
Buyback of Shares			
Madhu Sudhan Bhageria	Key Management Personnel	-	508.10
Purrshottam Bhaggeria		-	720.52
Madhav Bhageria		-	540.47
Ashok Chauhan		-	5.78
Raman Kumar Jha		-	0.48
Azimuth Investments Limited	Enterprises owned or significantly influenced by Key Managerial Personnel	-	616.27
Janus Infrastructure Projects Private Limited		-	473.96
Nouvelle Securities Pvt Ltd		-	296.06
Fargo Estates Pvt Ltd.		-	277.19
SMC Yarns Pvt Ltd		-	34.56
Fabiola Farms & dairy products Pvt Ltd.		-	7.89
Anu Bhageria	Relative of Key Management Personnel	-	196.70
Vrinda Bhageria		-	187.51
Gunjan Bhageria		-	157.57
Shefali Bhageria		-	148.25
Vedansh Bhageria		-	131.83
Yaduraj Bhageria		-	83.66
Stuti Bhageria		-	70.31
Hemlata Agrawal		-	3.72
Rama Sutwala		-	0.77
Managerial Remuneration			
Madhu Sudhan Bhageria	Key Management Personnel		
- Short-term employee benefits		117.77	102.10
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		1.63	1.97
- Termination benefits^		-	-
- Commission		60.33	49.95
Purrshottam Bhaggeria			
- Short-term employee benefits		106.26	91.30
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		1.46	1.40
- Termination benefits^		-	-
- Commission		60.33	49.95

(ii) Transactions with related parties during the year (Contd.)

(₹ in Lakhs)

Particulars	Nature of Relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Madhav Bhageria			
- Short-term employee benefits		112.09	89.73
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		1.46	1.40
- Termination benefits^		-	-
- Commission		60.33	49.95
Ashok Chauhan			
- Short-term employee benefits		45.00	44.40
- Post-employment benefits		-	-
- Other long-term benefits*		0.06	0.31
- Termination benefits^		1.03	1.97
- Share-based payment		-	1.73
Raman Kumar Jha			
- Short-term employee benefits		15.04	14.32
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		0.54	0.20
- Termination benefits^		1.57	0.30
- Share-based payment		-	0.49
Vedansh Bhageria	Relative of Key Management Personnel		
- Short-term employee benefits		18.26	16.53
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		0.71	0.07
- Termination benefits^		0.95	0.56
Stuti Bhageria			
- Short-term employee benefits		28.33	24.92
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		-	0.83
- Termination benefits^		1.66	0.55
Gopal Jha			
- Short-term employee benefits		3.91	3.75
- Post-employment benefits		0.22	0.22
- Other long-term benefits*		0.20	(0.18)
- Termination benefits^		0.16	0.25

*Other long term benefits (earned leaves) are taken as per the Actuarial Valuation report.

^Termination benefits (gratuity) are taken as per the Actuarial Valuation subject to the maximum limit of ₹ 20 Lakhs under the Gratuity Act 1972.

Balance outstanding

(₹ in Lakhs)

Nature of Transactions	Nature of Relationship	As at March 31, 2024	As at March 31, 2023
Managerial Remuneration (net of TDS)			
Madhu Sudhan Bhageria	Key Management Personnel	37.83	27.55
Purrshottam Bhaggeria		37.83	28.35
Madhav Bhageria		35.83	27.85
Other long-term benefits			
Madhu Sudhan Bhageria	Key Management Personnel	11.20	9.57
Purrshottam Bhaggeria		9.66	8.20
Madhav Bhageria		9.66	8.20
Ashok Chauhan		2.34	2.28
Raman Kumar Jha		2.05	1.51
Vedansh Bhageria	Relative of Key Management Personnel	2.08	1.37
Stuti Bhageria		2.10	2.13
Gopal Jha		0.24	0.04
Termination benefits			
Madhu Sudhan Bhageria	Key Management Personnel	20.00	20.00
Purrshottam Bhaggeria		20.00	20.00
Madhav Bhageria		20.00	20.00
Ashok Chauhan		10.38	9.35
Raman Kumar Jha		3.88	2.31
Vedansh Bhageria	Relative of Key Management Personnel	2.28	1.33
Stuti Bhageria		2.88	1.22
Gopal Jha		0.81	0.65
Security deposit Receivable (Rent)			
Vrinda Farms Private Limited	Enterprises owned or significantly influenced by Key Managerial Personnel	1.50	1.50
Purrshottam Bhaggeria Family Trust		1.50	1.50
Sparsh Property Private Limited		1.50	1.50
SMC Yarns Private Limited		5.25	-
Contribution towards Corporate Social Responsibility (CSR)			
Lala Govindramjee Charitable Society	Enterprises owned or significantly influenced by Key Managerial Personnel	-	6.28
Immovable Property mortgaged/Guarantee given against loan taken by the Company			
SMC Yarns Pvt. Ltd. [Realisable value of the property as per valuation report dated March 15, 2021	Enterprises owned or significantly influenced by Key Managerial Personnel	-	305.00
Madhu Sudhan Bhageria#	Key Management Personnel	2,133.60	1,485.41
Purrshottam Bhaggeria#		2,636.98	1,802.45
Madhav Bhageria#		2,446.76	1,856.20

#Net worth as on March 31, 2023 (previous year as on March 31, 2022)

Stock options granted & outstanding under ESOS (refer note no. 50)

(₹ in Lakhs)

Sr. No.	Key Management Personnel	Grant Date	Exercise Price	No. of options Outstanding as at March 31, 2024	No. of options Outstanding as at March 31, 2023
1	Ashok Chauhan	07-May-18	₹ 14.425	-	43,750
2	Raman Kumar Jha	07-May-18	₹ 14.425	-	12,500
		30-Oct-23	₹ 48.050	30,000	-

Also refer note no. 6

47. LEASES: COMPANY AS A LESSEE

The weighted average incremental borrowing rate applied to lease liability is 10%.

a) Lease Rent

The Company has various operating leases under cancellable operating lease arrangements for accommodation for employees and other assets which are renewable by mutual consent on mutually agreeable terms and range between 11 months to 10 years. The Company has given interest free refundable security deposit in accordance with the agreed terms. There are no restrictions imposed by these arrangements. There are no sub leases. The Company has not entered into any non cancellable lease.

i) The following is the movement in lease liabilities during the years ended March 31, 2024 and March 31, 2023 respectively:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Lease liabilities	**152.40**	**186.97**
Add: Additions	-	-
Add: Finance cost accrued during the period	15.24	18.70
Less: Deletions	-	-
Less: Payment of lease liabilities	55.06	53.27
Closing Lease liabilities	**112.58**	**152.40**
Lease liabilities included in the statement of financial position		
Current Lease Liabilities	43.80	39.82
Non-Current Lease Liabilities	68.78	112.58

ii) Maturity analysis of lease liabilities:

(₹ in Lakhs)

Maturity analysis – Contractual undiscounted cash flows	As at March 31, 2024	As at March 31, 2023
Not later than one year	55.06	55.06
Later than one year and not later than five years	77.09	132.15
More than five years	-	-
Total undiscounted lease liabilities	**132.15**	**187.21**

iii) Amounts recognised in profit or loss:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on lease liabilities	15.24	18.70
Expenses relating to short-term leases (rent)	208.07	201.70
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-	-

48. EMPLOYEE BENEFITS

Refer note 2.12 for accounting policy on Employee Benefits

A. Defined contribution plans

i. Provident Fund/Employees' Pension Fund

ii. Employees' State Insurance

The Company has recognised following amounts as expense in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Included in contribution to Provident and Other Funds (Refer Note 37)		
Employer's contribution to Provident Fund/Employees' Pension Fund	433.61	367.09
Included in contribution to Provident and Other Funds (Refer Note 37)		
Contribution paid in respect of Employees' State Insurance Scheme	0.12	0.27

B. Defined Benefit Plan

Gratuity: The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

(i) Balance Sheet

The assets, liabilities and surplus/(deficit) position of the defined benefit plans at the Balance Sheet date were:

(₹ in Lakhs)

Particulars	Defined Benefit Plan-Gratuity	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation	1,231.47	974.86
Fair value of plan assets	-	-
(Asset)/Liability recognised in the Balance Sheet	**1,231.47**	**974.86**
Net liability-current (Refer Note 31)	459.93	350.16
Net liability-non-current (Refer Note 23)	771.54	624.70
	1,231.47	**974.86**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

(₹ in Lakhs)

Particulars	Plan Assets	Plan Obligation	Total
As at April 01, 2022	**-**	888.60	888.60
Current service cost	-	116.31	116.31
Past service cost	-	-	-
Interest cost	-	54.20	54.20
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	(33.91)	(33.91)
Actuarial (gain)/loss arising from experience adjustments	-	2.03	2.03
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/(settled)	-	-	-

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets (Contd.)

(₹ in Lakhs)

Particulars	Plan Assets	Plan Obligation	Total
Benefit payments	-	(52.37)	(52.37)
As at March 31, 2023	**-**	**974.86**	**974.86**
As at April 01, 2023	-	974.86	974.86
Current service cost	-	144.26	144.26
Past service cost	-	-	-
Interest cost	-	70.19	70.19
Interest income	-	-	-
Return on plan assets excluding interest income	-	-	-
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	3.70	3.70
Actuarial (gain)/loss arising from experience adjustments	-	102.89	102.89
Employer contributions	-	-	-
Employee contributions	-	-	-
Assets acquired/(settled)	-	-	-
Benefit payments	-	(64.43)	(64.43)
As at March 31, 2024	**-**	**1,231.47**	**1,231.47**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

(₹ in Lakhs)

Particulars	Defined Benefit Plan-Gratuity	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenses recognised in the Statement of Profit and Loss for the year		
Employee Benefit Expenses		
Current service cost	144.26	116.31
Past service cost	-	-
Finance costs		
Interest cost	70.19	54.20
Interest income	-	-
Net impact on profit (before tax)	**214.45**	**170.51**
Recognised in other comprehensive income for the year		
Remeasurement of the net defined benefit plans		
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	3.70	(33.91)
Actuarial (gain)/loss arising from experience adjustments	102.89	2.03
Return (gain)/loss on plan assets excluding interest income	-	-
Net impact on other comprehensive income (before tax)	**106.59**	**(31.88)**

(iv) Assets

There are no plan assets at the Balance Sheet date for the defined benefit obligations as the plan is unfunded.

(v) Assumptions

Particulars	Defined Benefit Plan-Gratuity	
	As at March 31, 2024	As at March 31, 2023
Financial/Economic Assumptions		
Discount rate (per annum)	7.10%	7.20%
Salary escalation rate (per annum)	7.00%	7.00%
Demographic Assumptions		
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality (2012-14) ULT.	Indian Assured Lives Mortality (2012-14) ULT.
Withdrawal Rates		
Ages (years)		
All ages	20.00%	20.00%

Notes:

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2024. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government bonds as at the Balance Sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis.

(vi) Sensitivity Analysis

The sensitivity of the overall plan obligations to changes in the key assumptions are:

Particulars		Defined Benefit Plan-Gratuity			
		As at March 31, 2024		As at March 31, 2023	
		Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)	Change in assumption	Change in Defined Benefit Obligation (₹ In Lakhs)
Discount rate (per annum)	- Increase	1.00%	(35.71)	1.00%	(28.42)
	- Decrease	1.00%	38.61	1.00%	30.70
Salary escalation rate (per annum)	- Increase	1.00%	37.75	1.00%	30.14
	- Decrease	1.00%	(35.62)	1.00%	(28.68)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Weighted average duration of the defined benefit obligation	**5 years**	**5 years**
Expected benefit payments within next		
I year	469.47	362.54
II year	175.99	159.90
III year	156.71	121.47
IV year	145.53	106.31
V year	121.85	101.49
thereafter	525.49	409.19

C. Other long-term employee benefit obligations (Included as part of salaries and wages in Note 37 - Employee benefits expense) Includes long term compensated absences. (Refer Accounting policy 2.12)

49. GOVERNMENT GRANT

Related to or used for assets:

Deferred Revenue comprises Government grants: (Refer Note 2.14)

(₹ in Lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	**2,798.55**	**2,475.35**
Add: Grant received during the year	-	456.91
Less: Grant released to Statement of Profit & Loss	143.19	133.71
Closing Balance	**2,655.36**	**2,798.55**
Current (refer note 30)	143.13	142.27
Non-Current (refer note 25)	2,512.23	2,656.28

Grants relating to property, plant and equipment relate to duty saved on import of capital goods and spares under the EPCG scheme. Under such scheme, the Company is committed to export prescribed times of the duty saved on import of capital goods over a specified period of time. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities. The Grant does not include refundable duties & taxes.

50. SHARE BASED PAYMENTS

(I) Employee Stock Option Scheme (ESOS) - TRANCHE 3

(Refer Note No 2.13 of accounting policy)

The Nomination and Remuneration Committee of the Company had at its meeting held on October 30, 2023, approved grant of 27,20,000 (face value of ₹ 1/- per share) stock options ("options") to the eligible employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of ₹ 48.05 per option (being the closing price at BSE on October 27, 2023 i.e. immediately preceding the grant date), each option being convertible into one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

A. Vesting period

On completion of 2 Years from the date of grant of options for 15%

On completion of 3 Years from the date of grant of options for 20%

On completion of 4 Years from the date of grant of options for 25%

On completion of 5 Years from the date of grant of options for 40%

B. Exercise period

The exercise period will be 30 days from the date of vesting for 1st, 2nd and 3rd vesting and 45 days for 4th vesting of options. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the Tranche 3 ESOS 2015 plan are:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	27,20,000	48.05	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Lapsed during the year	57,000	48.05	-	-
Outstanding at the end of the year	26,63,000	48.05	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average fair value of options on the date of grant per share		22.31		-
The number of shares granted has face value of		₹ 1.00 each		-
The weighted average contractual life of the options outstanding is		3.55 Years		-
The weighted average share price during the period on exercise of options		₹ 56.11		-

The following table list the inputs to the models used for ESOS plan for the year ended March 31, 2024 and March 31, 2023 respectively:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend yield (%)	0.00%	
Expected volatility (%)	43 to 53	
Risk–free interest rate (%)	7.369%	
Weighted Average Share Price (₹)	48.05	Not applicable
Exercise Price (₹)	48.05	
Expected remaining life of options granted in year	3.55	
Model used	Black Scholes	

(II) Employee Stock Option Scheme (ESOS) - TRANCHE 2

(Refer Note No 2.13 of accounting policy)

The Nomination and Remuneration Committee of the Company had at its meeting held on May 07, 2018, approved grant of 4,30,000 (face value of ₹ 10/- per share) [subsequently sub-divided into 21,50,000 shares of face value of ₹ 2/- per share, further sub-divided into 43,00,000 shares of face value of ₹ 1/- per share] stock options ("options") to the eligible employees of the Company under the Filatex Employee Stock Option Scheme 2015 (Filatex ESOS -2015), at an exercise price of ₹ 211 per option (being the closing price at BSE on May 04, 2018 i.e. immediately preceding the grant date), each option being convertible in to one Equity Share of the Company upon vesting subject to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the terms and conditions of the Filatex ESOS 2015.

The Nomination and Remuneration Committee of the Company had at its meeting held on August 28, 2020 approved modification/re-pricing of outstanding 19,95,000 Stock Options (of face value of ₹ 2/- each) granted in 2nd Tranche under Filatex Employee Stock Option Scheme, 2015 (hereinafter referred to as "Filatex ESOS, 2015" or "the Scheme"), exercisable into not more than 19,95,000 fully paid-up equity shares of face value of ₹ 2/- (Rupees Two) each from Exercise price of ₹ 42.20 per option to ₹ 28.85 per option.

The terms and conditions of the grant as per the Filatex Employee Stock Option Scheme, 2015 (Filatex ESOS 2015) are as under:

A. Vesting period

On completion of 3 Years from the date of grant of options for 50%

On completion of 4 Years from the date of grant of options for 25%

On completion of 5 Years from the date of grant of options for remaining 25%

B. Exercise period

The exercise period will commence from the date of vesting itself and shall be exercised in such period as may be decided and communicated by the Nomination & Remuneration Committee. The options, which have been vested and not exercised within such period, can be carried forward till the last vesting and can be exercised, either partially or wholly, within a period upto one year from last vesting or within such other period and at such time as may be decided and communicated by the Nomination and Remuneration committee, however, the options not so exercised with the period available for exercising of last vesting shall lapse and will not be available for exercise by the employee.

The details of the Tranch 2 ESOS 2015 plan are:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Number of Options	Weighted average Exercise Price (₹)	Number of Options	Weighted average Exercise Price (₹)
Outstanding at the beginning of the year	9,29,250	14.425	20,04,500	14.425
Granted during the year	-	-	-	-
Exercised during the year	8,44,250	14.425	9,80,750	14.425
Forfeited during the year	-	-	-	-
Lapsed during the year	85,000	14.425	94,500	14.425
Outstanding at the end of the year	-	-	**9,29,250**	**14.43**
Exercisable at the end of the year	-	-	83,000	14.43
Weighted average fair value of options on the date of grant per share		N/A		₹ 5.22
Weighted average incremental fair value per share as on the date of Modification of option		N/A		₹ 1.76
The number of shares granted has face value of		₹ 1.00 each		₹ 1.00 each
The weighted average contractual life of the options outstanding is		Nil		0.05 years
The weighted average share price during the period on exercise of options		N.A.		₹ 56.12

The following table list the inputs to the models used for ESOS plan as on date of modification for incremental fair value measurement for the year ended March 31, 2024 and March 31, 2023 respectively:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Dividend yield (%)	0.00%	0.00%
Expected volatility (%)	-	61 to 67
Risk–free interest rate (%)	0.000%	5.859%
Weighted Average Share Price (₹)	-	14.425
Exercise Price (₹)	-	14.425
Expected remaining life of options granted in year	-	1
Model used	Black Scholes	Black Scholes

The expected life of the Stock option is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

During the year ended, the Company recorded an employee compensation expense of ₹ 64.71 Lakhs (Previous year ₹ 18.38 Lakhs) in the Statement of Profit & Loss.

51. PARTICULARS OF INVESTMENT MADE DURING THE YEAR AS MANDATED BY THE PROVISIONS OF THE SECTION 186(4) OF THE COMPANIES ACT, 2013

a) The Company has not given any loan or provided any Guarantee during the Financial year March 31, 2024 under Section 186(4) of the Companies Act, 2013.

b) Particulars of Investments Made:

(₹ in Lakhs)

Sr. No.	Name of the Investee	Investment made during the year ended		Outstanding Balance	
		March 31, 2024	March 31, 2023	As at March 31, 2024	As at March 31, 2023
1	FPEL SUNRISE PVT LTD	-	518.00	521.07	537.73
2	FP CRYSTA ENERGY PVT LTD	-	518.00	521.07	538.92

The investment made in hybrid power project for captive consumption of power generated from the said plant.

The details of the Investment of the Company are given in note 6.

52. FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISKS MANAGEMENT POLICIES AND OBJECTIVES

I. Financial Instruments - Accounting classification, fair values and fair value hierarchy:

The category wise details as to the carrying value and fair value of the Company's financial assets and financial liabilities including their levels in the fair value hierarchy are as follows:

(₹ in Lakhs)

Particulars	Levels	Carrying Values		Fair Values	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
1. Financial assets at					
a. Fair Value through profit & loss					
Unquoted Equity Investments	Level 3	1,042.14	1,076.65	1,042.14	1,076.65
Derivatives - foreign exchange forward contracts (not designated as hedging instruments)	Level 2	-	9.67	-	9.67
Investment in liquid Mutual Funds	Level 1	5,588.58	30.02	5,588.58	30.02
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Trade receivables	Level 2	11,907.86	13,107.53	11,907.86	13,107.53
Cash & cash equivalents	Level 1	447.41	5,203.68	447.41	5,203.68
Bank balances other than Cash & cash equivalents	Level 1	3,646.78	4,372.59	3,646.78	4,372.59
Loans	Level 2	55.22	60.39	55.22	60.39
Other financial assets	Level 2	254.59	278.23	254.59	278.23
2. Financial liabilities at					
a. Fair Value through profit & loss					
Derivatives - foreign exchange forward contracts (not designated as hedging instruments)	Level 2	129.88	-	129.88	-
b. Fair value through other comprehensive income		-	-	-	-
c. Amortised cost					
Borrowings - floating rate	Level 2	23,172.07	30,198.58	23,172.07	30,198.58
Lease Liabilities	Level 2	112.58	152.40	112.58	152.40
Trade payables	Level 2	39,071.70	40,726.34	39,071.70	40,726.34
Other financial liabilities	Level 2	5,344.58	7,959.60	5,344.58	7,959.60

Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2023. The following methods/assumptions were used to estimate the fair values:

1. The carrying value of Cash and cash equivalents, trade receivables, trade payables, short-term borrowings, other current financial assets and financial liabilities approximate their fair value mainly due to the short-term maturities of these instruments.

2. The fair values of investment in quoted investment in equity shares is based on the quoted price in the active market of respective investment as at the Balance Sheet date.

3. **Derivative financial instruments:** The fair value of forward foreign exchange contracts is determined using the forward exchange rates at the balance sheet date using valuation techniques with inputs that are directly or indirectly observable in the marketplace. The derivatives are entered into with the banks/counterparties with investment grade credit ratings.

4. Description of significant unobservable inputs to valuation (Level 3):

   The following shows the valuation techniques and inputs used for Non-current financial instruments that are not carried at fair value:

   a. **Security deposits given against lease and lease liabilities:** Discounted cash flow method using appropriate discounting rate.

   b. **Non-current Financial assets/liabilities other than above:** Expected Cash Flow for the financial instruments.

5. Unquoted equity instruments: where most recent information to measure fair value is insufficient and where the fair value of these investments cannot be reliably measured, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

6. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year and no transfer into and out of Level 3 fair value measurements.

II. Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks namely market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company's financial risk management policy is set by the management. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company manages market risk which evaluates and exercises independent control over the entire process of market risk management. The management recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits, continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business and through regular monitoring of conduct of accounts. The Company also holds security deposits for outstanding trade receivables which mitigate the credit risk to some extent.

An impairment analysis is performed at each reporting date on an individual basis for major customers and follows simplified approach for recognition of impairment loss allowance. The history of trade receivables shows a negligible provision for bad and doubtful debts. The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers. Further, the Company's exposure to customers is diversified and no single customer has significant contribution to trade receivable balances.

In respect of financial guarantees provided by the Company to banks & financial institutions, the maximum exposure which the Company is exposed to is the maximum amount which the Company would have to pay if the guarantee is called upon. Based on the expectation at the end of the reporting period, the Company considers that it is more likely than not that such an amount will not be payable under the guarantees provided.

The movement in the expected credit loss allowance during the year is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	41.73	84.54
Impairment loss recognised/(reversed)	1.53	(42.81)
Bad debts recognised during the year	9.48	-
Amount written off as Bad debts during the year	(37.93)	-
Closing Balance	**14.81**	**41.73**

Also refer note 12 & 39

The credit risk on liquid funds such as banks in current and deposit accounts and derivative financial instruments is limited because the counterparties are banks with high credit-ratings.

b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and committed borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities and by monitoring rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at March 31, 2024						
Borrowings and interest thereon *	23,172.07	5,280.21	13,467.14	8,443.68	373.53	27,564.55
Lease Liabilities	112.58	55.06	77.09	-	-	132.15
Trade payables	39,071.70	39,071.70	-	-	-	39,071.70
Other financial liabilities	5,344.58	4,945.86	398.72	-	-	5,344.58
Total Non-Derivative Liabilities	**67,700.93**	**49,352.83**	**13,942.95**	**8,443.68**	**373.53**	**72,112.98**
Derivatives						
Other Financial Liabilities	129.88	129.88	-	-	-	129.88
Total Derivative Liabilities	**129.88**	**129.88**	**-**	**-**	**-**	**129.88**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
As at March 31, 2023						
Borrowings and interest thereon*	30,198.58	7,162.37	13,636.89	12,261.87	2,952.73	36,013.86
Lease Liabilities	152.40	55.06	116.32	15.83	-	187.21
Trade payables	40,726.34	40,726.34	-	-	-	40,726.34
Other financial liabilities	7,959.60	7,659.24	300.36	-	-	7,959.60
Total Non-Derivative Liabilities	**79,036.92**	**55,603.01**	**14,053.57**	**12,277.70**	**2,952.73**	**84,887.01**
Derivatives						
Other Financial Liabilities	-	-	-	-	-	-
Total Derivative Liabilities	**-**	**-**	**-**	**-**	**-**	**-**

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company, if any. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period. Interest accrued has been included in other financial liabilities.

Financing facilities:

The Company has access to financing facilities as described in below Note. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured bank loan facilities with various maturity dates through to March 31, 2024 and which may be extended by mutual agreement		
- amount used	23,172.07	29,511.17
- amount unused	-	-
	23,172.07	**29,511.17**
Secured bank overdraft facility		
- amount used	-	687.41
- amount unused	14,800.00	19,312.59
	14,800.00	**20,000.00**

c) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments and all short term and long-term debt. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL investments, trade payables, trade receivables, derivative financial instruments and other financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities.

i) Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's foreign exchange risk arises from its foreign currency borrowings and trade receivables and trade payables denominated in foreign currencies. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies. The Company enters into derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures The Company has a treasury team which monitors the foreign exchange fluctuations on a continuous basis and advises the management of any material adverse effect on the Company.

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives disclosed below):

Foreign Currency Liabilities	**As at March 31, 2024**		**As March 31, 2023**	
	Amount in Foreign currency	**Indian Rupees (₹ In Lakhs)**	**Amount in Foreign currency**	**Indian Rupees (₹ In Lakhs)**
Currency				
Borrowings				
Euro	1,42,42,789	12,849.53	2,38,08,026	21,333.80
Interest payable				
Euro	1,06,524	96.10	1,30,275	116.74
Trade payables & other liabilities				
JPY	1,08,97,600	6,003.49	1,73,72,340	10,736.11
USD	1,08,556	90.51	15,18,281	1,248.28
Euro	3,11,851	281.35	1,76,605	158.25

Foreign Currency Assets	**As at March 31, 2024**		**As March 31, 2023**	
	Amount in Foreign currency	**Indian Rupees (₹ In Lakhs)**	**Amount in Foreign currency**	**Indian Rupees (₹ In Lakhs)**
Currency				
Trade Receivables				
USD	8,45,618	705.02	11,98,167	985.10
Other Receivables				
USD	1,11,660	93.10	16,49,816	1,356.43
Euro	-	-	8,290	7.43
CHF	-	-	7,710	6.93
Balance in EEFC Account				
USD	-	-	-	-

a. Foreign currency sensitivity analysis:

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, Euro, JPY, CHF and GBP with INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Foreign Currency Assets	**For the year ended March 31, 2024**		**For the year ended March 31, 2023**	
	Effect on Profit before tax Gain/(Loss)		**Effect on Profit before tax Gain/(Loss)**	
5% movement	**Decrease in exchange rate**	**Increase in exchange rate**	**Decrease in exchange rate**	**Increase in exchange rate**
Liability/(Assets) on Foreign Currency Liability (net)				
JPY	300.17	(300.17)	536.81	(536.81)
USD	(35.38)	35.38	(54.66)	54.66
Euro	661.35	(661.35)	1,080.07	(1,080.07)

b. Derivative financial instruments:

The Company holds derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial Institution. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

The following table gives details in respect of outstanding foreign exchange forward contracts:

Outstanding Contracts / Other Derivatives	Buy/ sell	As at March 31, 2024 Amount in Foreign currency	As at March 31, 2024 Nominal Value ₹ In Lakhs	As at March 31, 2024 Fair Value ₹ In Lakhs	As at March 31, 2023 Amount in Foreign currency	As at March 31, 2023 Nominal Value ₹ In Lakhs	As at March 31, 2023 Fair Value ₹ In Lakhs
Forward contracts							
in USD	Buy	**7,76,160**	**642.56**	**647.11**	2,68,19,523	22,251.61	22,050.18
	Sell	**1,73,58,000**	**14,580.50**	**14,472.04**	-	-	-
in Euro	Buy	**35,00,000**	**3,151.77**	**3,406.73**	2,21,340	197.83	198.34

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's investments in term deposits (i.e., margin money) with banks are for short durations, and therefore do not expose The Company to significant interest rates risk.

a. Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Floating rate instruments		
Borrowings	23,172.07	30,198.58

b. Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for borrowings at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of borrowings that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables, in particular foreign currency exchange rates, were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

(₹ in Lakhs)

Particulars	Impact on Profit before Tax For the year ended March 31, 2024	Impact on Profit before Tax For the year ended March 31, 2023
Floating rate instruments		
50 basis points increase	(115.86)	(150.99)
50 basis points decrease	115.86	150.99

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

iii) Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, listed or unlisted equity shares, government securities and fixed deposits. The price risk arises due to uncertainties about the future market values of these investments. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

III. Capital Risk Management Policies and Objectives

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and/or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital and to maximise shareholders value. In order to maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, obtain new borrowings or sell assets to reduce debt, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as interest bearing loans and borrowings less cash and cash equivalents.

The gearing ratio at the end of the reporting period was as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Debt	23,172.07	30,198.58
Lease Liabilities	112.58	152.40
Cash and Cash equivalents	447.41	5,203.68
Net debt	**22,837.24**	**25,147.30**
Total Equity	1,20,408.74	1,09,901.79
Capital and net debt	1,43,245.98	1,35,049.09
Gearing Ratio (%)	15.94%	**18.62%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

IV. Changes in liabilities arising from financing activities as per Ind AS 7 - Statement of cash flows

The major changes in the Company's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Company did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.

The Company disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts.

Reconciliation of Liabilities from financial activities for the year ended March 31, 2024

(₹ in Lakhs)

Particulars	April 01, 2023 (opening balance of current year)	Cash Flows	Non-cash changes		March 31, 2024 (closing balance of current year)
			Foreign exchange movement	Others	
i. Current interest bearing loans and borrowings (including current maturities of long term borrowings)	5,338.60	(5,338.60)	-	3,692.10	3,692.10
ii. Non-current interest-bearing loans and borrowings	24,859.98	(1,879.75)	191.84	(3,692.10)	19,479.97
iii. Interest accrued on borrowings	234.56	(3,226.50)	-	3,210.03	218.09
iv. Lease Liabilities	152.40	(55.06)		15.24	112.58
Total liabilities from financing activities	**30,585.54**	**(10,499.91)**	**191.84**	**3,225.27**	**23,502.74**

Reconciliation of Liabilities from financial activities for the year ended March 31, 2023

(₹ in Lakhs)

Particulars		April 01, 2022 (opening balance of current year)	Cash Flows	Non-cash changes		March 31, 2023 (closing balance of current year)
				Foreign exchange movement	Others	
i.	Current interest bearing loans and borrowings (including current maturities of long term borrowings)	5,280.34	(4,592.93)	-	4,651.19	5,338.60
ii.	Non-current interest-bearing loans and borrowings	30,368.42	(2,081.41)	1,224.16	(4,651.19)	24,859.98
iii.	Interest accrued on borrowings ^	157.47	(1,314.61)	-	1,391.70	234.56
iv.	Lease Liabilities	186.97	(53.27)		18.70	152.40
Total liabilities from financing activities		**35,993.20**	**(8,042.22)**	**1,224.16**	**1,410.40**	**30,585.54**

^ Represents Interest expenses including interest capitalised as per Ind AS 23 amounting ₹ 29.54 Lakhs.

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings to current due to the passage of time, and the effect of accrued but not yet paid interest on interest bearing loans and borrowings.

53. RATIO ANALYSIS AND ITS ELEMENTS

Sr. No.	Ratio	Numerator	Denominator	UOM	As at March 31, 2024	As at March 31, 2023	% Change	Reason for Variance (if any)
1	Current Ratio	Current Assets = Total Current Assets	Current Liabilities = Total Current Liabilities	Times	1.44	1.27	13.39%	
2	Debt Equity Ratio	Total Debt = Non Current Borrowings + Current Borrowings	Shareholders Equity = Equity Share capital + Other Equity	Times	0.19	0.27	-29.63%	Long term debt is significantly reduced during the year
3	Debt Service Coverage Ratio	Earnings available for Debt Service = Net profit after Taxes + Depreciation + Interest expense + exceptional Expense/(Income)	Debt Service = Interest payments + Principal Repayments within the year	Times	3.53	2.63	34.22%	Reduction in debt because of repayment and pre-payment of long term loans
4	Return on Equity (ROE)	Net profits after Taxes	Average Shareholder's Equity (Share Capital + Other Equity)	%	9.61%	8.23%	16.77%	
5	Inventory Turnover Ratio	Sales = Revenue from Operations	Average Inventory	Times	10.37	10.97	-5.47%	
6	Debtors Turnover Ratio	Net Sales = Revenue from Operations	Average Accounts Receivables	Times	34.27	31.17	9.95%	
7	Trade Payables Turnover Ratio	Net Purchases = Closing Stock + Cost of Material consumed + Purchase of Stock in trade + Consumption of Stores and Spares - Opening Stock	Average Trade Payables	Times	8.98	9.96	-9.84%	
8	Net Capital Turnover Ratio	Net Sales = Revenue from Operations	Working Capital = Total Current Assets - Total Current Liabilities	Times	19.17	26.96	-28.89%	Improvement in working capital because of reduction in current liabilities.
9	Net Profit Ratio	Net Profit after Taxes	Net Sales = Revenue from Operations	%	2.58%	2.09%	23.44%	
10	Return on Capital Employed (ROCE)	Earning Before Interest and Taxes = Profit Before Taxes + Finance Cost	Capital Employed = Tangible Net worth + Total Debt + Deferred Tax Liability	%	11.31%	11.76%	-3.83%	
11	Return on Investment	Income generated from invested funds	Average Invested funds	%	7.13%	5.81%	22.72%	

54. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III OF COMPANIES ACT, 2013

1. **Details of Benami property:** No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

2. **Transaction with Struck Off Companies:** The Company do not have any transaction with companies struck off.

3. **Charges with Registrar of Companies:** The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4. **Details of crypto currency or virtual currency:** The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.

5. **Utilisation of borrowed funds and share premium:**

   The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

   (a) 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

   (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

   The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (a) 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

   (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

6 **Compliance with approved scheme(s) of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

7 **Valuation of PPE, Intangible Assets and Investment property:** The Company has not revalued its property, plant & equipment (including Right Of Use Assets) or intangible assets or both during the current or previous year.

8 **Loans/advances to specified persons:** There is no grant of loans/advances in the nature of loans repayable on demand.

9 **Undisclosed income:** There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

55. RESEARCH AND DEVELOPMENT

The revenue expenditure of ₹ 186.11 Lakhs (Previous Year: ₹ 117.44 Lakhs) and capital expenditure for acquisition/ construction of assets of ₹ 51.29 Lakhs (Previous Year: ₹ 279.15 Lakhs) on Research & Development at Dahej, Gujarat are as detailed below:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Revenue Expenditure		
Employee benefits expense	86.94	33.80
Professional fees	-	11.50
Material & Spares Consumed	23.70	38.35
Electricity and Water expenses	64.87	33.79
Repair and Maintainance expenses	10.60	-
Total	**186.11**	**117.44**
(ii) Capital Expenditure		
on Plant & Machinery (refer note 3)	51.29	224.07
on Intangible assets under development	-	55.08
Total	**51.29**	**279.15**

The above expenses have been incurred on Research and Development (R&D) centre recognised by the Department of Scientific & Industrial Research ("DSIR"), Ministry of Science and Technology for in-house research.

56. CAPITALISATION OF EXPENDITURE

The Company has capitalised the following expenses of revenue nature to the cost of Property, Plant & Equipment (PPE) comprising POY Winders on the basis of ready for intended use. Consequently the expenses disclosed under the respective notes are net of amounts capitalised by the Company. The break-up of expenditure is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Power & Fuel	-	102.09
Sub total (A)	-	**102.09**
Payments and benefits to Employee		
Salaries & wages	-	71.06
Sub total (B)	-	**71.06**
Operating expenses:		
Insurance expenses	-	2.11
General expenses	-	32.88
Sub total (C)	-	**34.99**
Finance costs		
Interest on term loan*	-	29.54
Bank Charges	-	21.58
Sub total (D)	-	**51.12**
Less: Sale/Net realisable value of goods produced during the trial run (E)		-
Total amount (A)+(B)+(C)+(D)	-	**259.26**
Add: Opening balance	-	99.30
Less: Amount capitalised to Property, Plant & Equipment	-	358.56
Balance to be carried forward	-	-

* Comprises of ₹ Nil (Previous year ₹ 29.54 Lakhs) on specific borrowings taken for Plant & machinery.

57. FOLLOWING ARE THE RECLASSIFICATIONS MADE IN THE PREVIOUS YEAR FIGURES TO MAKE THEM BETTER PRESENTATION WITH THE CURRENT YEAR FIGURES

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023 (Revised)	For the year ended March 31, 2023 (Published)	Nature
Other Income	1,622.69	1,813.71	Reclassification
Exchange Fluctuation (Net)	191.02	-	Reclassification

The Company has decided to present Exchange fluctuation (net) as a separate line item on the face of Statement of Profit and Loss, distinct from other income/other expenses. This change aims to provide stakeholders with better visibility into the impact of currency fluctuations on the Company's financial performance.

58. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, historical experience and other factors, including expectations of future events that are believed to be reasonable, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to:

Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

Investment:

The Company has invested more than 20% equity capital in the power SPV's namely FPEL Sunrise Private Limited and FP Crysta Energy Private Limited to qualify as a captive user.

As per the shareholding agreement, the Company shall not directly or indirectly take part in financial and operation policy decisions of the Power SPV's.

As per Ind AS 28, If an entity holds, directly or indirectly (e.g. through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case.

Based on the above facts, the presumption of significant influence/participating in financial and operating decision making is not valid even though it holds 20% or more of the voting rights of another entity as the shareholding by the Company is only by virtue of compliance with electricity regulations with no intent of influencing the operations of the power SPV's. In view of the above investments are not considered as investment in associates.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(i) Impairment of trade receivables:

The impairment provisions for trade receivables are based on lifetime expected credit loss based on a provision matrix. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

The Company uses judgment in making assumptions about risk of default and expected loss rates and selecting the inputs to the impairments calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(ii) Fair value measurements of financial instruments:

In estimating the fair value of a financial asset or a financial liability, the Company uses market-observable data to the extent it is available. Where active market quotes are not available, the management applies valuation techniques to determine the fair value of financial instruments. This involves developing estimates, assumptions and judgements consistent with how market participants would price the instrument.

(iii) Actuarial valuation:

The determination of Company's liability towards defined benefit obligation viz. gratuity and other long-term employee benefit obligation viz. long term compensated absences to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

(iv) Claims, provisions and contingent liabilities:

the Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. These estimates could change substantially over time as new facts emerge and each dispute progresses. Information about such litigations is provided in notes to the financial statements.

(v) Income taxes:

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

(vi) Share-based payments:

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. This requires a reassessment of the estimates used at the end of each reporting period. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in notes to the financial statements.

(vii) Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company determines and also reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. Such lives are dependent upon an assessment of both the technical life of the assets and also their likely economic life, based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

59. The figures for the previous years have been regrouped and/or reclassified wherever necessary to conform with the current year presentation.

As per our report of even date

for **ARUN K. GUPTA & ASSOCIATES**
Firm Registration No. 000605N
Chartered Accountants

SACHIN KUMAR
Partner
Membership No. 503204

for **R.N. MARWAH & CO LLP**
Firm Registration
No. 001211N/N500019
Chartered Accountants

SUNIL NARWAL
Partner
Membership
No. 511190

For and on behalf of the Board of Directors of
Filatex India Limited

MADHU SUDHAN BHAGERIA
Chairman & Managing Director
DIN: 00021934

PURRSHOTTAM BHAGGERIA
Joint Managing Director
DIN: 00017938

MADHAV BHAGERIA
Joint Managing Director & CFO
DIN: 00021953

RAMAN KUMAR JHA
Company Secretary

Date: April 30, 2024

Corporate Information

BOARD OF DIRECTORS

Name	Designation	DIN
Mr. Madhu Sudhan Bhageria	Chairman & Managing Director	00021934
Mr. Purrshottam Bhaggeria	Joint Managing Director	00017938
Mr. Madhav Bhageria	Joint Managing Director	00021953
Mr. Swarup Chandra Parija	Independent Director	00363608
Mr. Suraj Parkash Setia	Independent Director	00255049
Mrs. Pallavi Joshi Bakhru	Independent Director	01526618
Mr. Rajender Mohan Malla	Independent Director	00136657
Ms. Meenakshi Mallik	Independent Director	08524108
Mr. Manish Vij	Independent Director	00505422

COMPANY SECRETARY

Mr. Raman Kumar Jha

CHIEF FINANCIAL OFFICER

Mr. Nitin Agarwal

BANKERS

Punjab National Bank
Bank of Baroda
IndusInd Bank
Yes Bank
AKA Ausfuhrkredit-Gesellschaft mbH
Landesbank Baden-Württemberg

AUDITORS

1. Arun K Gupta & Associates
   D-58, East of Kailash
   New Delhi - 110 025

2. R N Marwah & Co LLP
   4/80 Janpath Connaught Place,
   New Delhi - 110 001

CORPORATE OFFICE

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43, Community Centre, New Friends Colony,
New Delhi - 110 025
Website: filatex.com
CIN: L17119DN1990PLC000091

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1. S. No. 274, Demni Road,
   Dadra - 396 193
   (U.T. of Dadra & Nagar Haveli)

2. Plot No. D-2/6, Jolva Village
   PCPIR, Dahej-2 Industrial Estate GIDC,
   Distt. Bharuch, Gujarat – 392 130

REGISTRAR AND SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area,
Phase-I, New Delhi- 110020
Tel: 011-41406149
Email: admin@mcsregistrars.com

REGISTERED OFFICE

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Dadra - 396 193
(U.T. of Dadra & Nagar Haveli)
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