

# SWADESHI POLYTEX LIMITED

Regd Office: KJ-77, J- Block, Kavi Nagar, Ghaziabad-201002 (U.P.)  
Tele/Fax: +91-120-2701472, Email: [info@splindia.co.in](mailto:info@splindia.co.in), Website: [www.splindia.co.in](http://www.splindia.co.in)  
CIN: L25209UP1970PLC003320

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**Date: 31<sup>st</sup> May, 2024**

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001,

Ref: Scrip Code – 503816

**Subject: Annual report Submission as per Regulation 34 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015**

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby submits the Annual Report for the Financial Year 2023-24 including notice convening the 54<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Thursday, 27<sup>th</sup> June, 2024 at 12:00 noon through Video Conferencing.

The above report is also available on the website of the company at [www.splindia.co.in](http://www.splindia.co.in).

This is for your information and record.

**For Swadeshi Polytex Limited**

**Anuradha Sharma**  
**Company Secretary**



**54<sup>th</sup>**  
**ANNUAL**  
**REPORT**  
**2023-24**

**SWADESHI POLYTEX LIMITED**



# SWADESHI POLYTEX LIMITED

## BOARD OF DIRECTORS AS ON DATE

- |                            |                      |
|----------------------------|----------------------|
| 1. Mr. Gaurav Swarup       | Chairman             |
| 2. Mr. Hartaj Sewa Singh   | Vice Chairman        |
| 3. Mr. Ashutosh Gupta      | Nominee Director     |
| 4. Mr. P. Samy Kungumaraju | Nominee Director     |
| 5. Mr. Gaurav Lodha        | Independent Director |
| 6. Mr. Rishabh Chand Lodha | Independent Director |
| 7. Mr. Atul Seksaria       | Independent Director |
| 8. Ms. Shukla Bansal       | Independent Director |

## KEY MANAGERIAL PERSONNELS

- |                          |                         |
|--------------------------|-------------------------|
| 1. Mr. Bhuwan Chaturvedi | Chief Executive Officer |
| 2. Mr. Ankit Garg        | Chief Financial Officer |
| 3. Ms. Anuradha Sharma   | Company Secretary       |

## REGISTERED OFFICE

CIN: L25209UP1970PLC003320  
KJ-77, J- Block, Kavi Nagar, Ghaziabad - 201002 (U.P.)

## REGISTRAR AND SHARE TRANSFER AGENT

**M/s RCMC Share Registry Private Limited**  
B-25/1, Okhla Industrial Area,  
Phase-II, Near Rana Motors, New Delhi - 110 020  
Phone : 011-26387320/21/23

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## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 54<sup>th</sup> Annual General Meeting of the Members of Swadeshi Polytex Limited will be held on Thursday, 27<sup>th</sup> June, 2024 at 12:00 noon through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2024 together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Gaurav Swarup having Director’s Identification Number 00374298, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
3. To appoint a director in place of Mr. Ashutosh Gupta having Director’s Identification Number 09043439, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.

### **SPECIAL BUSINESS**

4. **Appointment of Mr. Gaurav Lodha (DIN: 03414211) as an Independent Director of the Company.**

To consider and, if thought fit, to approve the appointment of Mr. Gaurav Lodha (DIN: 03414211) as an Independent Director (Non-Executive) of the Company to hold office for a first term of five years i.e. up to March, 31, 2029 and to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Gaurav Lodha (DIN: 03414211), who was appointed as an Additional Director by the Board of Directors of the Company (“the Board”) based on the recommendation of the Nomination and Remuneration Committee with effect from April 1, 2024 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, to hold office for a first term of consecutive five years up to March 31, 2029.”

**RESOLVED FURTHER THAT** the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

5. **Appointment of Mr. Rishabh Chand Lodha (DIN: 07177605) as an Independent Director.**

To consider and, if thought fit, to approve the appointment of Mr. Rishabh Chand Lodha (DIN: 07177605) as an Independent Director (Non-Executive) of the Company to hold office for a first term of five years i.e. up to March, 31, 2029 and to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, read with Schedule IV of

the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Rishabh Chand Lodha (DIN: 07177605), who was appointed as an Additional Director by the Board of Directors of the Company (“the Board”) based on the recommendation of the Nomination and Remuneration Committee with effect from April 1, 2024 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, to hold office for a first term of consecutive five years up to March 31, 2029.”

**RESOLVED FURTHER THAT** the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

**6. Appointment of Mr. Atul Seksaria (DIN: 00028099) as an Independent Director.**

To consider and, if thought fit, to approve the appointment of Mr. Atul Seksaria (DIN: 00028099) as an Independent Director (Non-Executive) of the Company to hold office for a first term of five years i.e. up to March, 31, 2029 and to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Atul Seksaria (DIN: 00028099), who was appointed as an Additional Director by the Board of Directors of the Company (“the Board”) based on the recommendation of the Nomination and Remuneration Committee with effect from April 1, 2024 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, to hold office for a first term of consecutive five years up to March 31, 2029.”

**RESOLVED FURTHER THAT** the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

**7. Appointment of Ms. Shukla Bansal (DIN: 00285477) as an Independent Director.**

To consider and, if thought fit, to approve the appointment of Ms. Shukla Bansal (DIN: 00285477) as an Independent Director (Non-Executive) of the Company to hold office for a first term of five years i.e. up to March, 31, 2029 and to pass, with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules framed thereunder, read with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Shukla Bansal (DIN: 00285477), who was appointed as an Additional Director by the Board of Directors of the Company (“the Board”) based on the recommendation of the Nomination and Remuneration Committee with effect from April 1, 2024 pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and in respect of whom the

## SWADESHI POLYTEX LIMITED

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Company has received a notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, to hold office for a first term of consecutive five years up to March 31, 2029.”

**RESOLVED FURTHER THAT** the Board (including its committee thereof) and/or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable, or expedient to give effect to this resolution.”

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/-  
**Anuradha Sharma**  
Company Secretary  
Membership No: A51838

Place: Ghaziabad  
Date: 16<sup>th</sup> May, 2024

### NOTES

1. In terms of the Ministry of Corporate Affairs, Government of India (the “MCA”) General Circular No.14/2020 dated April 8, 2020; General Circular No. 17/2020 dated April 13, 2020; General Circular No. 22/2020 dated June 15, 2020; General Circular No. 33/2020 dated September 28, 2020; General Circular No. 39/2020 dated December 31, 2020; General Circular No 10/2021 dated June 23, 2021; General Circular No. 20/2021 dated December 8, 2021; General Circular No. 3/2022 dated May 5, 2022; General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 9/2023 dated September 25, 2023 (the “MCA Circulars”) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and other circulars issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold the annual general meeting through Video Conferencing (“VC”) or through other audio-visual means (“OAVM”), without the physical presence of the Members at a common venue.

In compliance with the provisions of the Companies Act, 2013 (“the Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA Circulars, the 54<sup>th</sup> Annual General Meeting (“Meeting” or “AGM”) of the Company is being held through VC / OAVM on Thursday, 27<sup>th</sup> June, 2024, at 12:00 noon. The proceedings of the AGM deemed to be conducted at the Registered Office of the Company.

Generally, a member entitled to attend/ participate and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, as this AGM is being held through VC/ OAVM, hence, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.

2. As the AGM will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM and vote on its behalf. The said Resolution/Authorization shall be sent to the Company at investor.grievances@splindia.co.in or to the Scrutinizer through e-mail to shrutisinghal116@gmail.com.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e- voting on the date of the AGM will be provided by NSDL.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> June, 2024 to 27<sup>th</sup> June, 2024 (both days inclusive) for the purpose of AGM.
6. The information required to be provided under the Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, regarding the Directors, who are proposed to be appointed/re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the special business(es) in respect of the items 4,5,6 and 7 to be transacted at AGM is annexed hereto.
7. SEBI vide its circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialized form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialized their holdings.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. Members may note that the VC / OAVM Facility, provided by NSDL, allows participation of at least 1,000 Members on a first-come-first-served basis and facility of joining the AGM shall open 15 minutes before the time scheduled for the AGM. The large shareholders (i.e., shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. will not be restricted on first come first serve basis.
10. SEBI vide its circular dated May 30, 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s) / investor(s). The said circular is available on the website of the Company at [www.splindia.co.in](http://www.splindia.co.in)

### **DISPATCH OF ANNUAL REPORT THROUGH EMAIL AND REGISTRATION OF EMAIL IDS**

1. In line with the MCA Circulars and SEBI Circular No SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 this notice along with the integrated Annual Report for FY 2023-24 is being sent in electronic mode to all the Members/Beneficiaries,
2. Members holding shares in physical mode and who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company's Registrar and Share Transfer Agent, RCMC Share Registry Private Limited at [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com). Members are requested to submit request letter mentioning the Folio No. and Name of Shareholder along with scanned copy of the Share Certificate (front and back), self-attested copy of PAN card and Aadhaar for registration/updation of email address.

## **SWADESHI POLYTEX LIMITED**

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With a view to using natural resources responsibly, we request shareholders to update their contact details including e-mail address, mandates, nominations, power of attorney, Bank details covering name of the Bank and branch details, Bank account number, MICR code, IFSC code, etc. with their depository participants and with RTA if shares are held in physical form to enable the Company to send all the communications electronically including Annual Report, Notices, Circulars, etc.

3. The Notice of AGM along with the Integrated Annual Report for FY 2023-24, is available on the website of the Company at [www.splindia.co.in](http://www.splindia.co.in), on the website of Stock Exchange on which the shares of the Company are listed i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

### **PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

4. As the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in) to enable smooth conduct of proceedings at the AGM. Questions /Queries received by the Company on or before Thursday, 20<sup>th</sup> June, 2024 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id / Folio No., PAN, mobile number at [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in) on or before Thursday, 20<sup>th</sup> June, 2024. Speakers are requested to submit their questions at the time of registration to enable the Company to respond appropriately. Only those Members who have registered themselves as a speaker will be allowed to ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.

### **DETAILS FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM**

6. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up to date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs dated 05 May, 2022, dated January 13, 2021 May 05, 2020, April 13, 2020 and dated April 08, 2020, and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, the Company is pleased to provide facility of voting through electronic means i.e. remote e-voting in respect of the business(es) to be transacted at the 54<sup>th</sup> Annual General Meeting (AGM) as well as e-voting system on the date of the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
7. Members whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e., Thursday, 20<sup>th</sup> June, 2024 shall only be entitled to attend and vote at the AGM. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.
8. The remote e-voting period begins on Monday, 24<sup>th</sup> June, 2024 (9:00 A.M.) and end on Wednesday,



26<sup>th</sup> June, 2024 (5:00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Thursday, 20<sup>th</sup> June, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Members, the Member shall not be allowed to change it subsequently. In addition, the facility for voting through electronic voting system shall also be made available during the AGM. Members attending the AGM, who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the meeting.

9. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date/record date i.e. Thursday, 20<sup>th</sup> June, 2024 Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
10. The company has engaged NIVIS CORP SERVE LLP for providing video conferencing system through cisco Webex and e-voting services through NSDL. In case, any member required any assistance in respect of e-voting or joining of Meeting through VC/OAVM can contact at following: -  
  
Ms. Richa Rastogi at [info@nivis.co.in](mailto:info@nivis.co.in),  
Nivis Corpserve LLP,  
Contact No. 011-45201005
11. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Thursday, 20<sup>th</sup> June, 2024 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
12. The Company has appointed Ms. Shruti Garg (CP No.: 22138) Practising Company Secretary, Address: C-285, Lohia Nagar, Ghaziabad-201001 as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
14. The result declared along with the Scrutinizer's Report shall be placed on the Company's website: [www.splindia.co.in](http://www.splindia.co.in) and on NSDL's website: <https://www.evoting.nsdl.com/> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

### **PROCESS AND MANNER OF REMOTE E-VOTING AND EVOTING DURING THE AGM**





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

# SWADESHI POLYTEX LIMITED

## Step 1: Access to NSDL e-Voting system

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

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

| Type of shareholders  | Login Method  |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> <li data-bbox="463 460 1253 869">1. If you are already registered for <b>NSDL IDeAS facility</b>, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>“IDeAS”</b> section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="463 879 1253 1006">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS”</b> Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="463 1015 1253 1425">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon <b>“Login”</b> which is available under <b>‘Shareholder/Member’</b> section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="463 1434 1253 1525">4. Shareholders/Members can also download NSDL Mobile App <b>“NSDL Speede”</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="753 1525 1009 1676" style="text-align: center;"> <p><a href="#">NSDL Mobile App is available on</a></p> <p>  App Store            Google Play         </p> <div style="display: flex; justify-content: space-around;">   </div> </div> |

| <b>Type of shareholders</b>  | <b>Login Method</b>  |
|--|--|
| Individual Shareholders holding securities in demat mode with CDSL                                     | <ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System My easi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e., NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., <b>NSDL</b> where the e-Voting is in progress.</li> </ol> |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.   |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

| <b>Login type</b>  | <b>Helpdesk details</b>  |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30 or NIVIS CORP SERVE LLP AT <a href="mailto:info@nivis.co.in">info@nivis.co.in</a> or at 01145201005 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800225533 or NIVIS CORP SERVE LLP <a href="mailto:info@nivis.co.in">info@nivis.co.in</a> or at 011-45201005            |

**In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at e-voting website at <https://evoting.nsdl.com>.**

## SWADESHI POLYTEX LIMITED

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

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

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

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

#### **(How to Cast your vote electronically and join General Meeting on NSDL e-Voting system)**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page open.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [shrutisinghal116@gmail.com](mailto:shrutisinghal116@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

## SWADESHI POLYTEX LIMITED

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

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

Shareholders/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-Voting by providing below mentioned documents.

- i. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in).
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e., **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- iii. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- iv. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

### **PROCEDURE FOR INSPECTION OF DOCUMENTS:**

1. All the documents referred to in the accompanying Notice shall be available for inspection by the members at the registered office during normal business hours (between 11.00 A.M. to 01.00 P.M.) on all working days, from the date of circulation of this Notice upto the date of the AGM. The relevant documents will also be made available on the website of the Company during the above-mentioned period. Members seeking to inspect such documents can also send an email to [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in).
2. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-voting system at <https://www.evoting.nsdl.com/>.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and

have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

### OTHER INFORMATION:

5. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Ms. Richa Rastogi at NIVIS CORP SERVE LLP at [info@nivis.co.in](mailto:info@nivis.co.in) .
7. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify any change in information to Registrar and Share Transfer Agent or Company as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. Members who hold shares under more than one folio in name(s) in the same order, are requested to send the relative Share Certificate(s) to the Company’s Registrar and Transfer Agent for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.
10. Members holding shares in dematerialised form may please note that, while opening a depository account with Participants they may have given their bank account details, which will be printed on their dividend warrants.

However, if Members want to change/correct the bank account details, they should send the same immediately to the Depository Participant concerned. Members are also requested to give the MICR code of their bank to their Depository Participant. The Company will not entertain any direct request from Members for cancellation/change in the bank account details furnished by Depository Participants to the Company.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent

## SWADESHI POLYTEX LIMITED

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Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent or the Company.

12. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
13. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar and Transfer Agent, RCMC Share Registry Private Limited, at the address mentioned below:

RCMC Share Registry Private Limited  
Add: B-25/1, Okhla Industrial Area, Phase-2,  
Near Rana Motors, New Delhi-110020  
Tel. No.: 011-26387320, 21  
E-mail Id: [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com)  
Website: [www.rcmcdelhi.com](http://www.rcmcdelhi.com)

14. Pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has designated an exclusive E-mail Id: [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in) for quick redressal of members/investors grievances or to register their complaints, if any.
15. Pursuant to the provisions of Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities can be transferred only in dematerialised form w.e.f. 1 April 2019. Members are requested to convert their physical holdings into demat form to avoid any possibility of loss, mutilation etc., of physical share certificates. Any shareholder who is desirous of dematerializing their securities may write to Ms. Anuradha Sharma, Company Secretary at [cs@splindia.co.in](mailto:cs@splindia.co.in) or [investor.grievances@splindia.co.in](mailto:investor.grievances@splindia.co.in) or to the Registrar and Share Transfer Agent at [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com).
16. Process of Registration of Email address and other details:

- i) For Temporary Registration:

Pursuant to relevant circulars the shareholders who have not registered their email address and in consequence the notice could not be serviced may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com) through the link: [https:// www.rcmcdelhi.com Email register.html](https://www.rcmcdelhi.com>Email%20register.html) and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would receive soft copy of the Notice of AGM and the Annual Report for the financial year 2023-24 comprising Financial Statements, Board's Report, Auditor's Reports and other documents required to be attached therewith and the procedure for e-voting along with the User ID and Password to enable e-voting for the AGM from NSDL. In case of any queries relating to the registration of E-mail address, shareholder may write to [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com) & for e-voting related queries you may write to NSDL at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).



ii) For Permanent Registration:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address:

- in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
- in respect of physical holding with Company's Registrar and Transfer Agents i.e. [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com) by sending a request in the prescribed form.

iii) Registration of Bank Details:

Please Contact your Depository Participant (DP) and register your email address and Bank account details in your demat account, as per the process advised by your DP. In case of physical holding, please contact the RTA of the Company i.e. [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com)

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/-  
**Anuradha Sharma**  
Company Secretary  
Membership No: A51838

Place: Ghaziabad  
Date: 16<sup>th</sup> May, 2024

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

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"), the following Explanatory Statement sets out all material facts relating to the businesses mentioned under Items No. 4 to 7 of the accompanying Notice dated May, 16, 2024:

#### In respect of Items No. 4, 5, 6 & 7

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ("Board") at its meeting held on March 27, 2024 had appointed Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477) as Additional Directors (Non-Executive, Independent) of the Company for a first term of five (5) years effective from April 01, 2024, not liable to retire by rotation, subject to approval of the shareholders of the Company.

Further, in terms of the amended Regulation 17(1C) of the SEBI Listing Regulations, effective from January 01, 2022, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Accordingly, approval of the shareholders is sought to comply with the SEBI Listing Regulations. The Company has received the following documents/ declarations/ consent from Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477):

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- (i) consents in writing to act as Directors in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014,
- (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164(2) of the Act and
- (iii) a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and under SEBI Listing Regulations. They do not hold any equity shares of the Company except Mr. Atul Seksaria.

The Company has also received a Notice under Section 160 of the Act from a member proposing candidature of Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477) for the office of Directors of the Company.

The terms and conditions for appointment of Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477) as Independent Directors of the Company shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Other details of Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477) are provided in annexure to the Notice pursuant to the provision of SEBI Listing Regulations and the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends passing of the Special Resolutions as set out in Items no. 4, 5, 6 & 7 of this Notice, for approval by the Members of the Company, as the rich experience and the vast knowledge they bring with them would benefit the Company. They also possess requisite skills, expertise and competencies in the business restructuring, capital market regulations, international taxation, regulatory matters and business leadership.

Mr. Gaurav Lodha (DIN: 03414211), Mr. Rishabh Chand Lodha (DIN: 07177605), Mr. Atul Seksaria (DIN: 00028099) and Ms. Shukla Bansal (DIN: 00285477) are deemed to be interested in the resolution relating to their appointment. None of the other Directors or key managerial personnel or their relatives are, in anyway, concerned or interested in the said resolution, as set out in the Items No. 4, 5, 6 & 7 of this Notice.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING.**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings]

ITEM NO. 2, 3, 4, 5, 6 & 7:

**BRIEF PROFILE OF DIRECTORS:**

| Name of the Director   | Gaurav Swarup   | Ashutosh Gupta  | Gaurav Lodha                  | Rishabh Chand Lodha   | Atul Seksaria  | Shukla Bansal    |
|--|---|---|-------------------------------|---|--|------------------|
| DIN  | 00374298  | 09043439  | 03414211                      | 07177605  | 00028099   | 00285477         |
| Age  | 67 years  | 54 years  | 44 years                      | 67 Years  | 62 years   | 54 Years         |
| Date of Appointment on the Board of the Company                            | 30/05/1988  | 27/01/2021  | 01/04/2024                    | 01/04/2024  | 01/04/2024   | 01/04/2024       |
| Qualification  | Master of Business Administration, Harvard University, USA (1980).<br>Bachelor of Engineering (Mech), Jadavpur University, Calcutta (1978).   | B. Tech   | Chartered Accountants         | <b>M.Com., M.B.A. (Gold Medalist), LL.B., CAIIB (Finance), Ph.D. SRCC, Delhi University, FCA (ICAI)</b>   | B. Com. (Hons.) from SRCC, Delhi University, FCA (ICAI)  | FCMA, FCS, MCOM, |
| Nature of Expertise in Specific Functional Area                            | Financial and Strategic Advisor/ Consultant.  | IT, ERP, Telecommunication, Administration, Restructuring, Training & IR  | Chartered Accountants         | Specialized Legal Services :-<br>• Financial advisory services<br>• NCLT/ NCLAT (Under IBC-2016)<br>• DRT / DRAT<br>• Merger/Amalgamation and Takeover<br>• FERA etc. | Financials Services  | POSH Trainer     |
| Shareholding in Swadeshi Polytex Limited                                   | 3500 shares   | Nil   | Nil                           | Nil   | 2500 Shares  | Nil              |
| Directorship held in other companies                                       | 1. Graphite India Limited<br>2. Avadh Sugar & Energy Limited;<br>3. K S B Limited;<br>4. Industrial and Prudential Investment Company Limited<br>5. TIL Limited<br>6. Paharpur Cooling Towers Ltd | 1. National Textile Corpn Limited<br>2. Apollo Design Apparel Parks Limited<br>3. Goldmohur Design and Apparel Park Limited<br>4. Aurangabad Textiles and Apparel Parks Limited<br>5. India United Textile Mill<br>6. New City of Bombay Mfg. Mills Limited | Prisure Promotion Trading Ltd | M/s Niim Spinners Limited   | Impressions Printing Packaging Limited<br>Bis International Services Limited<br>Jakson Limited<br>Jakson Engineers Limited | Nil              |
| Membership/ Chairmanship of Audit and Stakeholders Relationship Committees | Nil   | Nil   | Nil                           | Nil   | Nil  | Nil              |
| Relationship with other Directors and KMPs of the Company                  | No relation   | No relation   | No relation                   | No relation   | No relation  | No relation      |

# SWADESHI POLYTEX LIMITED

| Name of the Director  | Gaurav Swarup | Ashutosh Gupta | Gaurav Lodha   | Rishabh Chand Lodha   | Atul Seksaria   | Shukla Bansal   |
|---|---------------|----------------|--|---|---|---|
| No. of Board Meeting Attended during the financial year   | Four          | Four           | NA   | NA  | NA  | NA  |
| Brief Resume in case of Regularization  | NA            | NA             | Gaurav Lodha has joined Lodha & Co.LLP as a Partner since 2014, He is a Member of the Institute of Chartered Accountants of India since 2006. He has over 18 years of experience in rendering assurance, consultancy and services to diverse client base across a wide range of industries, which include some of the largest corporates in India. | Dr. R.C. Lodha is an Advocate, Registered Council of Rajasthan Senior Vice President Mewar Chamber of Commerce and Industry, Bhiwara and Partner of AVM Resolution Professionals LLP. Trustee of Acharya Shree Nanesht Samta Vikas Trust, Danta, Chittorgarh (Raj.), and Insolvency Professional of IBBI. | Has served as senior partner with S.R. Batliboi & Co. LLP (Member Firm of EY Global ), Walker Chandiok & Co. LLP (Member firm of Grant Thornton) and S. S. Kothari, Mehta & Co. (Member firm of HLB International ) and possesses over 36 years of diverse & rich experience in Audit & Consulting. | She is a Practicing Company Secretary, a Peer Reviewer of ICSI, and a POSH Trainer. She holds a B. Com (Hons.) from Shri Ram College of Commerce, is a postgraduate from Delhi University, and is a fellow member of the ICSI and the Institute of Cost and Management Accountants of India (ICMA). Her extensive experience of more than 30 years includes senior management positions across several leading organizations and more recently, her own practice. |
| Experience in case of Regularisation  | NA            | NA             | 18 years   | 40 years  | 36 years  | 30 years  |
| Term & Conditions   | -             | -              | -  | -   | -   | -   |
| Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years; | NA            | NA             | NIL  | NIL   | NIL   | NIL   |

By order of the Board  
For Swadeshi Polytex Limited

Sd/-  
Anuradha Sharma  
Company Secretary  
Membership No: A51638

Place: Ghaziabad  
Date: 16<sup>th</sup> May, 2024

**DIRECTORS' REPORT TO THE MEMBERS****DEAR SHAREHOLDERS,**

Your Directors' have pleasure in presenting their 54<sup>th</sup> Annual Report along with the Audited Financial Statements on the Business and operations of the Company for the financial year ended March 31, 2024.

**FINANCIAL HIGHLIGHTS**

The highlights of your Company's financial results for the financial year ended March 31, 2024 and for the previous year are summarized below:

(Rs. in Lakhs)

| <b>Particulars</b>  | <b>Year Ended on<br/>31.03.2024</b> | <b>Year Ended on<br/>31.03.2023</b> |
|---|-------------------------------------|-------------------------------------|
| Revenue from Operations                                     | 9,925.66                            | 4,433.56                            |
| Other Income  | 667.06                              | 246.66                              |
| Total Income  | 10,592.72                           | 4680.22                             |
| Total Expenditure   | 687.12                              | 356.43                              |
| <b>Profit /(Loss) before tax from Continuing operations</b> | <b>9,905.60</b>                     | <b>4323.79</b>                      |
| Tax Expenses from Continued operations                      | 1690.35                             | 836.61                              |
| <b>Profit (Loss) from continuing operations</b>             | <b>8215.25</b>                      | <b>3487.18</b>                      |
| Profit /(Loss) before tax from discontinued operations      | (18.55)                             | (3.32)                              |
| Tax Expenses from discontinued operations                   | (4.67)                              | (0.84)                              |
| <b>Profit/(Loss) from discontinuing operations</b>          | <b>(13.88)</b>                      | <b>(2.48)</b>                       |
| <b>Profit (Loss) after tax</b>                              | <b>8,201.37</b>                     | <b>3,484.70</b>                     |

**CHANGE IN THE NATURE OF BUSINESS**

The Company is engaged in the activities of Real Estate Development. On the real estate development front, the Company subdivided the plot after taking approval of UPSIDA and sold the same. There was no change in nature of the business of the Company, during the year under review.

**MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relate and the date of this report other than those explained herein.

**CHANGE IN REGISTERED OFFICE**

Registered office of the Company has been shifted within the local area from New Kavi Nagar, Industrial Area, Ghaziabad-201002 to KJ-77, J- Block, Kavi Nagar, Ghaziabad- 201002 w.e.f. 10<sup>th</sup> November, 2023.

**DIVIDEND**

In order to conserve the resources of the Company and to build the wealth for the stakeholders, the Board of Directors have decided not to recommend any dividend for the year ended 31<sup>st</sup> March, 2024.

**TRANSFER TO GENERAL RESERVE**

The Company has not transferred any amount to general reserve during the current financial year. Company earned profit of Rs. 8201.37 lakhs during the Financial Year 2023-24.

# SWADESHI POLYTEX LIMITED

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## SHARE CAPITAL

- a) The Company has not made any allotments during the year under review.
- b) The Company has not bought back any of its securities during the year under review.
- c) The Company has not issued any sweat equity shares during the year under review.
- d) No Bonus shares were issued during the year under review.
- e) The Company has not provided any Stock Option Scheme to the employees.

## SUBSIDIARIES, JOINT VENTURES & ASSOCIATE COMPANIES

The Company does not have any subsidiary, Joint venture or Associate Company as on 31<sup>st</sup> March, 2024.

## ALTERATION IN THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

During the year under review there was no alteration in Memorandum of Association and Articles of Association.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. RETIREMENT BY ROTATION

In terms of section 152 of Companies Act, 2013, the following Directors of the Company are liable to retire by rotation and, being eligible, offer themselves for re-appointment.

1. Mr. Gaurav Swarup having Director's Identification Number 00374298;
2. Mr. Ashutosh Gupta having Director's Identification Number 09043439;

Further, as required under the Listing Regulations and Secretarial Standard on General Meetings, the brief resume of the above-mentioned directors is furnished in the explanatory statement to the Notice convening the ensuing Annual General Meeting of the Company.

### B. KEY MANAGERIAL PERSONNEL:

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Companies Act, 2013, read with the Rules framed thereunder.

- Mr. Bhuwan Chaturvedi: Chief Executive Officer
- Mr. Ankit Garg: Chief Financial Officer
- Ms. Anuradha Sharma: Company Secretary

## STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149 (7) OF THE COMPANIES ACT, 2013

The Company has received declarations from all the independent directors of the Company, that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company. All independent directors of the company have also confirmed compliance with the provisions of Schedule IV of the companies Act, 2013 and rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, regarding registering themselves with the Indian Institute of Corporate Affairs and meeting the requirement of the self-proficiency test.

Statement on Compliance of Code of Conduct for Independent Directors, Directors and Senior Management Personnel, as per Regulation 17(5) of the SEBI Listing Regulations, requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Act.

All directors and senior management personnel have affirmed compliance with the code for the financial year 2024. A declaration to this effect signed by the CEO is given herein below:

### **Declaration by Chief Executive Officer**

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Bhuwan Chaturvedi, CEO of Swadeshi Polytex Limited hereby declare that all the members of Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company for the year ended 31<sup>st</sup> March, 2024.

Bhuwan Chaturvedi

CEO

### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178, is available on the website of the Company at [https://www.splindia.co.in/corporate\\_governance.htm](https://www.splindia.co.in/corporate_governance.htm)

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under listing requirement, The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performances of the Board, and that of its committees and individual Directors, CEO and Chairman has to be made. The evaluation process focused on various aspects of the Board and committees functioning such as their composition, experience and competencies, performance of specific duties and obligations, corporate governance and compliance management. A separate meeting of the Independent Directors was held, inter-alia, to review the performance of Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors and to assess the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

The performance evaluation of the Non-Independent Directors including Chairman was carried out by the Independent Directors at a separate meeting of the Independent Directors held on May 19, 2023.

### **SECRETARIAL STANDARDS**

The Directors state that the applicable mandatory Secretarial Standards i.e., SS-1: Secretarial Standard on Meetings of the Board of Directors and SS-2: Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India have been duly followed by the Company.

# SWADESHI POLYTEX LIMITED

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT-GO:

In pursuance to section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014, Company has taken all steps for conservation of energy. However, Technology Absorption is not applicable to the Company as the Company is not using any technology as per the business of the Company. The Company has not incurred any expenditure on Research and Development. Further, there were no foreign exchange earnings and out go during they are under review.

## STATE OF COMPANY'S AFFAIRS

The Company has earned profit of Rs. 8,201.37 lakhs during the Financial Year 2023-24.

The total income for the financial year under review increased to Rs. 10,592.72 lakhs as against Rs. 4,680.22 lakhs for the previous financial year. Profit from continuing operations was Rs. 8,215.25 lakhs for the financial year under review as against the profit of Rs. 3,487.18 lakhs for the previous financial year. Loss from discontinued operations was Rs. 13.87 lakhs for the financial year under review as against the profit of Rs. 2.48 lakhs in the previous financial year. The profit of the Company for the financial year under review after tax was Rs. 8,201.38 lakhs as against profit of Rs. 3,484.70 lakhs in the previous financial year.

## ANNUAL RETURN

The Annual Return pursuant to the provisions of Section 134 (3) and 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 31<sup>st</sup> March, 2024 is available on the website of the Company at <https://www.splindia.co.in>

## CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI).

The Company has also implemented several best governance practices. Our Corporate Governance Report for financial year 2023-24 forms an integral part to this Annual Report attached as **Annexure- A**, together with the Certificate from the Practicing Company Secretary of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## PARTICULARS OF EMPLOYEES AND REMUNERATION

The statement containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), is given in "**Annexure B**" forming part of this Report.

## DETAILS OF RELATED PARTY TRANSACTIONS UNDER SECTION 188 OF THE COMPANIES ACT, 2013

The Company has not entered into any related party transactions (RPT's) during the financial year, which could have attracted the provisions of section 188 of the Act. There are no details to be disclosed in Form AOC-2 in that regard.

The policy on materiality of RPT's as approved by the Board is on the Company's website [https://www.splindia.co.in/corporate\\_governance.htm](https://www.splindia.co.in/corporate_governance.htm).



### INVESTOR EDUCATION AND PROTECTION FUND (IEPF) AND DEMAT SUSPENSE ACCOUNT:

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and IEPF Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, all unpaid or unclaimed amount are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years from the date it became due for payment. There was no amount or shares required to be transferred to IEPF authority.

In terms of the foregoing provisions of the Act, there was no amount or shares required to be transferred to IEPF authority by the Company for the year ended 31<sup>st</sup> March, 2024.

Further status of Demat suspense account is as follows:

- a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- **2 Shareholders & 750 shares**
- b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year- **NA**
- c) number of shareholders to whom shares were transferred from suspense account during the year- **NA**
- d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; **3 Shareholders & 1000 shares**
- e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- **1000 Shares**

### CORPORATE SOCIAL RESPONSIBILITY POLICY

In accordance with the provisions of Section 135 of Companies Act, 2013 and rules made thereunder, the Company has constituted a CSR Committee and formulated a CSR policy which is available on the Company's website [https://www.splindia.co.in/corporate\\_governance.html](https://www.splindia.co.in/corporate_governance.html).

An annual report on CSR initiative/activities undertaken by the company during the Financial year along with the details of the Composition of CSR Committee are given as "**Annexure-C**" forming part of this Report in the format prescribed in Companies (Corporate Social Responsibility Rules) 2014.

### AUDITORS:

#### a. STATUTORY AUDITORS & STATUTORY AUDITORS REPORT:

In accordance with the provisions of the Companies Act, 2013 and Rules made thereunder M/s. SANMARK & Associates, Chartered Accountants (ICAI Firm Registration No. 003343N) were appointed as Statutory Auditors' of the Company for a term of five years from the conclusion of 52<sup>nd</sup> Annual General Meeting held on 21<sup>st</sup> September, 2022 until the conclusion of 57<sup>th</sup> Annual General Meeting to be held in the year 2027.

The Auditors' Report on the Financial Statements of the Company for the Financial Year 2023-24 to the Members is part of this Annual report. The Auditors' Report on financial statements issued by the Statutory Auditors read together with relevant notes thereon are self-explanatory and hence, do not required for any further comments under Section 134 of the Companies Act, 2013.

There have been no instances of frauds reported by the Auditors under Section 143 (12) of the Act and the Rules framed thereunder, either to the Company or to the Central Government.

# SWADESHI POLYTEX LIMITED

## REPORTING OF FRAUDS BY AUDITORS:

During the year under review, Statutory Auditors, Secretarial Auditors did not report any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013. Hence, no detail is required to be disclosed under Section 134(3) (ca) of the Act.

## b. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed Mr. Baldev Singh Kashtwal, (Practicing Company Secretary) as Secretarial Auditor to undertake the Secretarial Audit of the Company for the financial year ended March 31, 2024. The Secretarial Audit Report in form MR-3 received from Secretarial Auditor is annexed herewith as “**Annexure D**” forming part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## c. INTERNAL AUDITORS

M/s. NSBP & Co., Internal Auditor have carried out an Internal Audit for the Financial Year 2023-24. Their reports were reviewed by the Audit Committee and the Board of Directors.

## d. COST AUDITORS

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 the Company is not required to maintain cost records.

The Company was not required to appoint the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

## **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS**

| S. NO. | AUDITORS QUALIFICATION  | MANAGEMENT VIEW  |
|--------|---|--|
| 1.     | The back-up of the books of accounts and other papers maintained in electronic mode has been maintained on the server physically located in India on periodical basis instead of daily basis. | The Company has started taken back up of books of accounts on daily basis from the FY 2024-25.     |
| 2.     | The feature of recording audit trail (edit log) facility was not enabled for maintenance of inventory and property, plant & equipment records throughout the year.                            | Audit Trail Software is already with the company. Necessary updation will be done at the earliest. |

## ANNUAL SECRETARIAL COMPLIANCE REPORT:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder.

The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has engaged the services of M/s. Shruti Singhal & Associates (CP No. 22138), Practicing Company Secretary of the Company for providing this certification.

The copy of the Annual Secretarial Compliance report will be submitted to stock exchange as per Listing regulations.

### **POLICIES:**

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandate the formulation and revision of Certain Policies for all Listed Companies. The Policies are reviewed periodically by the Board of Directors and adopted following policies, which are also uploaded on the website of the company:

- Vigil Mechanism / Whistle Blower Policy
- Related Party Transaction's Policy
- Orderly Succession Policy
- CSR Policy
- Nomination & Remuneration Policy

### **PUBLIC DEPOSITS**

Your Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year. There are no outstanding deposits as on March 31, 2024.

### **LISTING AT STOCK EXCHANGE:**

The Equity Shares of the Company continues to be listed on the BSE Limited. The Annual Listing Fee for the current year has been paid to the BSE Limited.

### **SIGNING OF THE FINANCIAL STATEMENTS:**

This is to inform you that the Company will be approved and authenticated its Audited Financial Results for the year ended March 31, 2024 at the forthcoming Board meeting to be held on May 16<sup>th</sup>, 2024, which is well within the statutory time limits as prescribed in the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility that to the best of their knowledge and belief, for ensuring compliance with the provisions of section 134 (3) (c) and Section 134 (5) of the Act, in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2024 and state that:

- (a) In the preparation of the financial statements, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

## SWADESHI POLYTEX LIMITED

- (d) the directors had prepared the financial statements on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### OTHER DISCLOSURES:

#### NUMBER OF MEETINGS OF THE BOARD

During the financial year Five (05) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 ("the Act").

| S. No. | Type of Meeting | No. of meetings | Date of Meeting | Directors attended the meeting   |
|--------|-----------------|-----------------|-----------------|--|
| 1.     | Board Meeting   | 2/2023          | 22.05.2023      | 1. Mr. Gaurav Swarup<br>2. Mr. Hartaj Sewa Swarup<br>3. Mr. Arun Kumar Singhanian<br>4. Mr. Sanjay Garg<br>5. Mr. Niranjana Kumar Gupta<br>6. Mr. Naveen Aggarwal<br>7. Mr. Shyam Sunder Madan<br>8. Ms. Purni Gupta<br>9. Mr. Ashutosh Gupta<br>10. Ms. Deepika Sharma<br>11. Mr. Pankaj Agarwal                                    |
| 2.     | Board Meeting   | 3/2023          | 11.08.2023      | 1. Mr. Gaurav Swarup<br>2. Mr. Hartaj Sewa Swarup<br>3. Mr. Arun Kumar Singhanian<br>4. Mr. Sanjay Garg<br>5. Mr. Niranjana Kumar Gupta<br>6. Mr. Naveen Aggarwal<br>7. Mr. Shyam Sunder Madan<br>8. Ms. Purni Gupta<br>9. Mr. Ashutosh Gupta<br>10. Ms. Deepika Sharma<br>11. Mr. Pankaj Agarwal<br>12. Mr. Palani Samy Kungumaraju |
| 3.     | Board Meeting   | 4/2023          | 10.11.2023      | 1. Mr. Gaurav Swarup<br>2. Mr. Hartaj Sewa Swarup<br>3. Mr. Niranjana Kumar Gupta<br>4. Mr. Naveen Aggarwal<br>5. Mr. Shyam Sunder Madan<br>6. Ms. Purni Gupta<br>7. Mr. Ashutosh Gupta<br>8. Mr. Palani Samy Kungumaraju  |

## SWADESHI POLYTEX LIMITED

| S. No. | Type of Meeting                           | No. of meetings  | Date of Meeting | Directors attended the meeting  |
|--------|---|------------------|-----------------|---|
| 4.     | Board Meeting                             | 1/2024           | 12.02.2024      | 1. Mr. Hartaj Sewa Swarup<br>2. Mr. Niranjana Kumar Gupta<br>3. Mr. Naveen Aggarwal<br>4. Mr. Shyam Sunder Madan<br>5. Mr. Ashutosh Gupta<br>6. Mr. Palani Samy Kungumaraju   |
| 5.     | Board Meeting                             | 2/2024           | 27.03.2024      | 1. Mr. Gaurav Swarup<br>2. Mr. Hartaj Sewa Swarup<br>3. Mr. Niranjana Kumar Gupta<br>4. Mr. Naveen Aggarwal<br>5. Mr. Shyam Sunder Madan<br>6. Mr. Ashutosh Gupta<br>7. Mr. Palani Samy Kungumaraju   |
| 6.     | Annual General Meeting for the FY 2022-23 | 53 <sup>rd</sup> | 21.09.2023      | 1. Mr. Gaurav Swarup<br>2. Mr. Hartaj Sewa Swarup<br>3. Mr. Arun Kumar Singhania<br>4. Mr. Sanjay Garg<br>5. Mr. Niranjana Kumar Gupta<br>6. Mr. Naveen Aggarwal<br>7. Mr. Shyam Sunder Madan<br>8. Ms. Purni Gupta<br>9. Ms. Deepika Sharma<br>10. Mr. Palani Samy Kungumaraju |

### COMPOSITION OF AUDIT COMMITTEE

The Company has formed the Audit Committee pursuant to the provisions of Section 177 of the Act consisting of the following members:

1. Mr. Naveen Aggarwal : Chairman
2. Mr. N.K. Gupta : Committee Member
3. \*Mr. Sanjay Garg : Committee Member
4. \*Mr. Arun Kumar Singhania : Committee Member
5. \*\*Mr. Hartaj Sewa Singh : Committee Member

During the year Four (04) meetings of the Audit Committee were convened and held on:

- 22<sup>nd</sup> May, 2023
- 11<sup>th</sup> August, 2023
- 10<sup>th</sup> November, 2023
- 12<sup>th</sup> February, 2024

Majority of the members of the Audit Committee are financially literate and have accounting or related financial management expertise.

## SWADESHI POLYTEX LIMITED

Attendance of the Members at the Meeting was as follows:

| Name                 | Designation/<br>Status | No. of Meetings<br>entitled to attend | No. of Meetings<br>attended |
|----------------------|------------------------|---------------------------------------|-----------------------------|
| Naveen Aggarwal      | Chairman               | 4                                     | 4                           |
| N.K. Gupta           | Member                 | 4                                     | 4                           |
| Arun Kumar Singhania | Member                 | 3                                     | 3                           |
| Sanjay Garg          | Member                 | 3                                     | 3                           |
| Hartaj Sewa Singh    | Member                 | 1                                     | 1                           |

\*Mr. Sanjay Garg & Mr. Arun Kumar Singhania resigned from the Board w.e.f. 10<sup>th</sup> November, 2023 at the Board Meeting after attending Committee Meeting held on same day.

\*\*Mr. Hartaj Sewa Singh was appointed as committee member in the Board Meeting held on 10<sup>th</sup> November, 2023 after the Committee Meeting.

Further, Consequent to the completion of two terms of Independent Directors i.e. Mr. Naveen Aggarwal and Mr. N.K. Gupta on 31<sup>st</sup> March, 2024, their appointment ceased w.e.f. 31<sup>st</sup> March, 2024 and new Independent Directors were appointed on the Board in the Board Meeting held on 27<sup>th</sup> March, 2024, w.e.f. 1<sup>st</sup> April, 2024.

Accordingly, New committee Structure as on today are as follows:

1. Mr. Atul Seksaria : Chairman
2. Mr. Gaurav Lodha : Committee Member
3. Mr. Hartaj Sewa Singh : Committee Member

### COMPOSITION OF NOMINATION AND REMUNERATION COMMITTEE

The Company has formed the Nomination & Remuneration Committee pursuant to the provisions of Section 178 of the Act consisting of the following members:

1. Mr. Naveen Aggarwal : Chairman
2. Mr. Hartaj Sewa Singh : Committee Member
3. Mr. Shyam Sunder Madan : Committee Member
4. Mr. Arun Kumar Singhania : Committee Member

During the year Two (02) meetings of the Nomination & Remuneration Committee were convened and held on:

- 11<sup>th</sup> August, 2023
- 27<sup>th</sup> March, 2024

Attendance of the Members at the Meeting was as follows:

| Name                  | Designation/<br>Status | No. of Meetings<br>entitled to attend | No. of Meetings<br>attended |
|-----------------------|------------------------|---------------------------------------|-----------------------------|
| Naveen Aggarwal       | Chairman               | 2                                     | 2                           |
| Hartaj Sewa Singh     | Member                 | 2                                     | 2                           |
| Shyam Sunder Madan    | Member                 | 2                                     | 2                           |
| *Arun Kumar Singhania | Member                 | 1                                     | 1                           |

\*Mr. Arun Kumar Singhania resigned from the Board w.e.f. 10<sup>th</sup> November, 2023 at the Board Meeting after attending Committee Meeting held on same day.

## SWADESHI POLYTEX LIMITED

Further, Consequent to the completion of two terms of Independent Directors i.e. Mr. Naveen Aggarwal and Mr. Shyam Sunder Madan on 31<sup>st</sup> March, 2024, their appointment ceased w.e.f 31<sup>st</sup> March, 2024 and new Independent Directors were appointed on the Board in the Board Meeting held on 27<sup>th</sup> March, 2024, w.e.f. 1<sup>st</sup> April, 2024.

Accordingly, New committee Structure as on today are as follows:

1. Mr. Rishabh Chand Lodha : Chairman
2. Mr. Atul Seksaria : Committee Member
3. Mr. Hartaj Sewa Singh : Committee Member

### COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has formed the Stakeholders Relationship Committee pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”) consisting of the following members:

Mr. Niranjana Kumar Gupta : Chairman

Mr. S. S. Madan : Member

\*Mr. Hartaj Sewa Singh : Member

During the year only one meeting of the Stakeholders Relationship Committee was convened and held on 12<sup>th</sup> February, 2024.

Attendance of the Members at the Meeting was as follows:

| Name                      | Designation/<br>Status | No. of Meetings<br>entitled to attend | No. of Meetings<br>attended |
|---------------------------|------------------------|---------------------------------------|-----------------------------|
| Mr. Niranjana Kumar Gupta | Chairman               | 1                                     | 1                           |
| Mr. Shyam Sunder Madan    | Member                 | 1                                     | 1                           |
| Mr. Hartaj Sewa Singh     | Member                 | 1                                     | 1                           |

\*From the Board Meeting dated 10<sup>th</sup> November, 2023, Mr. Hartaj Sewa Singh became the member of the Committee.

Further, Consequent to the completion of two terms of Independent Directors i.e. Mr. N K Gupta and Mr. Shyam Sunder Madan on 31<sup>st</sup> March, 2024, their appointment ceased w.e.f 31<sup>st</sup> March, 2024 and new Independent Directors were appointed on the Board on the Board Meeting held on 27<sup>th</sup> March, 2024, w.e.f. 1<sup>st</sup> April, 2024.

Accordingly, New committee Structure as on date are as follows:

1. Mr. Hartaj Sewa Singh : Chairman
2. Mr. Rishabh Chand Lodha : Committee Member
3. Ms. Shukla Bansal : Committee Member

### CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

Composition of the Board of Directors (“Board”) is in terms of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## SWADESHI POLYTEX LIMITED

During the Financial Year 2023-24, following changes took place in the Board of Directors of the company:

| S. No. | DIN/PAN  | Director's Name                       | Date of Re-Appointment/Regularization/Resignation | Status                                   |
|--------|----------|---------------------------------------|---|--|
| 1      | 00173286 | Mr. Hartaj Sewa Singh                 | 21 <sup>st</sup> September, 2023                  | Re-appointment due to Retire by Rotation |
| 2      | 08467347 | Mr. Pankaj Agarwal                    | 21 <sup>st</sup> September, 2023                  | Re-appointment due to Retire by Rotation |
|        |          |                                       | 10 <sup>th</sup> November, 2023                   | Resigned                                 |
| 3      | 09539286 | Mr. Sanjay Garg                       | 21 <sup>st</sup> September, 2023                  | Re-appointment due to Retire by Rotation |
|        |          |                                       | 10 <sup>th</sup> November, 2023                   | Resigned                                 |
| 4      | 08873691 | Ms. Deepika Sharma                    | 21 <sup>st</sup> September, 2023                  | Regularized                              |
|        |          |                                       | 10 <sup>th</sup> November, 2023                   | Resigned                                 |
| 5      | 08497328 | Mr. Kanjirakkattu Gopalan Manoj Kumar | 18 <sup>th</sup> April, 2023                      | Resigned                                 |
| 6      | 10164262 | Mr. Palani Samy Kungumaraju           | 18 <sup>th</sup> April, 2023                      | Appointment                              |
|        |          |                                       | 21 <sup>st</sup> September, 2023                  | Regularized                              |
| 7      | 00160194 | Mr. Arun Kumar Singhania              | 10 <sup>th</sup> November, 2023                   | Resigned                                 |
| 8      | 07090475 | Ms. Purti Gupta                       | 10 <sup>th</sup> February, 2024                   | Resigned                                 |
| 9      | 00936395 | Mr. Naveen Aggarwal                   | 31 <sup>st</sup> March, 2024                      | Retired due to Completion of Two Tenure  |
| 10     | 00923080 | Mr. N. K. Gupta                       | 31 <sup>st</sup> March, 2024                      | Retired due to Completion of Two Tenure  |
| 11     | 02427885 | Mr. Shyam Sunder Madan                | 31 <sup>st</sup> March, 2024                      | Retired due to Completion of Two Tenure  |

Further, there were no changes taken place in KMP.

### STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

No Independent Director was appointed or re-appointed during the Financial Year 2023-24.

Further, All Independent Directors i.e. Mr. Naveen Aggarwal, Mr. N.K. Gupta and Mr. Shyam Sunder Madan were completed their two terms of appointment as Independent Directors on 31<sup>st</sup> March, 2024 and Ms. Purti Gupta has resigned on 10<sup>th</sup> February, 2024 before her tenure completion due to her personal and professional obligations.



Accordingly, Mr. Gaurav Lodha, Mr. Rishabh Chand Lodha, Mr. Atul Seksaria and Ms. Shukla Bansal were appointed as Independent Directors in the board meeting held on 27<sup>th</sup> March, 2024 w.e.f. 1<sup>st</sup> April, 2024.

### **DETAILS OF LOAN/ GUARANTEES / INVESTMENTS MADE**

During the year, the Company has not given any loans or guarantees and has not made any investments under section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.

### **BUSINESS RISK MANAGEMENT:**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place, both in respect of internal and external risks. The objective is to minimize the impact of risks identified and taking advance actions to mitigate them. Risk management forms an integral part of the management policy and is an ongoing process integrated with operations as required under section 134(3)(n) of the Companies Act, 2013. At present the Company has not identified any element of risk, which may threaten the existence of the company.

### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder, your Company has formulated an internal policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal).

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of occurrence.

The Internal Complaints Committee is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

### **DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A policy which is in line with the statutory requirements is in place.

Furthermore, status of the compliance is as follows:

- a. number of complaints filed during the financial year – Nil
- b. number of complaints disposed of during the financial year – Nil
- c. number of complaints pending as on end of the financial year - Nil

### **INSIDER TRADING REGULATION**

The Company has adopted a Code of Conduct for Prevention of Insider Trading (in form of Structured Digital Database-SDD) with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the KMP have confirmed compliance with the Code.

# SWADESHI POLYTEX LIMITED

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## BUSINESS RESPONSIBILITY REPORT

Report on Business Responsibility report is not applicable to the Company as per Regulation 34(2) (f) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## INTERNAL FINANCIAL CONTROL SYSTEM

The Company has designed and implemented a process-driven framework for internal financial controls within the meaning of explanation to section 134(5)(e) of the Act. For FY 2023-24, the Board is of the opinion that the Company has sound Internal Financial controls commensurate with the nature and size of its business operations, wherein controls are in place and operating effectively.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Assurance on the effectiveness of internal financial controls is obtained through management reviews, self-assessment, continuous monitoring by functional experts as well as testing by the Statutory/Internal Auditors during the course of their audits. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. The observations and comments of the Audit Committee are placed before the Board time to time.

## CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all employees in the course of day-to-day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/ behaviors of any form and the Board has laid down the directives to counter such acts. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

## MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

Management discussion and analysis report highlighting the performance and prospects of the Company's business for the year, as stipulated under Regulation 34 (2) (e) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") is presented in "Annexure-E".

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant or material orders were passed by any Regulator or Court or Tribunal which can have impact on the going concern status of the Company and its operations in future.

## DETAILS OF APPLICATION MADE BY THE COMPANY OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year the Company has not made any application under the Insolvency and Bankruptcy Code, 2016 (31 OF 2016) neither any proceeding under the said Code is pending.

## **SWADESHI POLYTEX LIMITED**

### **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

This particular clause is not applicable on the Company as the Company has not taken any loan from Banks or Financial Institutions.

### **ACKNOWLEDGEMENTS**

The Directors wish to thank the Company's customers, business partners, vendors, bankers & financial institutions, all government & non-governmental agencies, and other business associates for their continued support. The Directors also acknowledge and appreciate the support and confidence reposed by the Company's shareholders. The Directors remain committed to enable the Company to achieve its long-term growth objectives in the coming years.

By order of the Board  
For **Swadeshi Polytex Limited**

**Sd/-**  
**(Hartaj Sewa Singh)**  
**Director**  
**(DIN: 00173286)**

**Sd/-**  
**(Gaurav Lodha)**  
**Director**  
**(DIN: 03414211)**

**Place: Ghaziabad**  
**Date : 16<sup>th</sup> May, 2024**

## REPORT ON CORPORATE GOVERNANCE

### ANNEXURE-A

Report on Corporate Governance pursuant to Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and forming Part of the Board's Report for the year ended March 31, 2024. The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and Regulation 46 of the Listing Regulations.

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Swadeshi Polytex Limited, recognizes the importance of Good Corporate Governance, which is the tool of building strong and everlasting beneficial relationship with customers, suppliers, bankers and more importantly with the investors. Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity.

#### 2. BOARD OF DIRECTORS:

The strength of the Board on signing of the report comprises of Eight Directors. All the directors are Non-Executive Directors out of them Four directors are Independent. The Chairman of the Board is Non-Executive Promoter Director. The Directors are eminently qualified and experienced in business, finance and corporate management.

The table below provides the composition of the Board, their attendance at Board meetings & AGM and number of directorships, chairmanship/ membership of companies:

#### As on March 31, 2024- Board Structure:

| Name of the Director & Designation & Age   | Composition and Category                              | No. of Directorship in Public Companies | *No. of committees of which Member(M)/ Chairman (C) | Board meeting attended | Attendance at the last AGM | No. of Shares held (As on March 31, 2024) |
|--|---|---|---|------------------------|----------------------------|---|
| Mr. Gaurav Swarup<br>Chairman,<br>68 Years | Promoter,<br>Non- Executive<br>Director               | 8                                       | Nil   | 4                      | Yes                        | 3500                                      |
| Mr. Hartaj Sewa<br>Singh<br>63 Years       | Promoter, Non<br>-Executive<br>Director               | Nil                                     | 4   | 5                      | Yes                        | 2500                                      |
| Mr. Ashutosh Gupta<br>53 years             | Promoter,<br>Non -Executive<br>(Nominee<br>Director)  | 6                                       | Nil   | 5                      | NO                         | Nil                                       |
| Mr. Palani Samy<br>Kungumaraju<br>55 years | Promoter,<br>Non - Executive<br>(Nominee<br>Director) | 5                                       | Nil   | 4                      | Yes                        | Nil                                       |
| Mr. Naveen Aggarwal<br>49 Years            | Independent<br>Director                               | Nil                                     | 2   | 4                      | Yes                        | 2500                                      |
| Mr. Niranjana Kumar<br>Gupta<br>70 years   | Independent<br>Director                               | Nil                                     | 2   | 4                      | Yes                        | 2500                                      |
| Mr. Shyam Sunder<br>Madan<br>81 years      | Independent<br>Director                               | Nil                                     | 2   | 4                      | Yes                        | 2500                                      |

- Ms. Purni Gupta has resigned from the board w.e.f 10<sup>th</sup> February, 2024 due to personal and professional obligations. She has also given declaration that there are no other material reasons other than those provided in the resignation letter.
- Mr. Naveen Agarwal's, Mr. Niranjan Kumar Gupta's and Mr. Shyam Sunder Madan's tenure have expired on w.e.f. 31<sup>st</sup> March, 2024.
- Mr. Gaurav Lodha, 45 years, Mr. Rishabh Chand Lodha, 67 years, Mr. Atul Seksaria, 62 years and Ms. Shukla Bansal, 54 Years, independent Directors were appointed w.e.f. from 01<sup>st</sup> April, 2024.
- As the new directors were appointed w.e.f. 01<sup>st</sup> April, 2024 so they were not entitled to attend the Board and General meetings held during the year 2023-24.
- Mr. Atul Seksaria holds 2500 shares except that no shares were held by newly appointed Independent Directors.
- Mr. Atul Seksaria holds directorship in other 4 Public Companies and Mr. Gaurav Lodha and Mr. Rishabh Chand Lodha holds Directorship in One Public Company respectively.

### Directorship In Listed Companies:

| S. No. | Name of the Director       | Name of the Listed Entity  |
|--------|----------------------------|--|
| 1.     | <b>Gaurav Swarup</b>       | <ul style="list-style-type: none"> <li>• Ifgl Refractories Limited</li> <li>• Ksb Limited</li> <li>• Industrial And Prudential Investment Company Limited</li> <li>• Avadh Sugar &amp; Energy Limited</li> <li>• Graphite India Limited</li> </ul> |
| 2.     | <b>Atul Seksaria</b>       | <ul style="list-style-type: none"> <li>• Bls International Services Limited</li> </ul>   |
| 3.     | <b>Rishabh Chand Lodha</b> | <ul style="list-style-type: none"> <li>• Nitin Spinners Limited</li> </ul>   |

### Notes:

- (1) Disclosure of Chairmanship & Membership includes membership of Audit and Stakeholder Relationship Committees in other Public Limited Companies.
- (2) Other directorships do not include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.
- (3) None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- (4) None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.
- (5) None of the Non-executive Directors has any pecuniary relationship. The details of sitting fees, paid to Independent-director appear later under the disclosure relating to Remuneration to Directors.

## SWADESHI POLYTEX LIMITED

### Chart/Matrix Setting Out the Skills/Expertise/Competence of The Board of Directors:

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the

Board along with skills / expertise / competence, possessed by the Board members, are given as below:

| Name of the Director        | Industry Knowledge/ experience | Technical Skills/ experience | Governance competencies | Behavioural competencies |
|-----------------------------|--------------------------------|------------------------------|-------------------------|--------------------------|
| Mr. Gaurav Swarup           | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Hartaj Sewa Singh       | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Ashutosh Gupta          | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Palani Samy Kungumaraju | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Atul Seksaria           | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Gaurav Lodha            | Yes                            | Yes                          | Yes                     | Yes                      |
| Mr. Rishabh Chand Lodha     | Yes                            | Yes                          | Yes                     | Yes                      |
| Ms. Shukla Bansal           | Yes                            | Yes                          | Yes                     | Yes                      |

### Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting

The information as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to appointment / reappointment/regularization of Directors of the Company are given in the Annexure of the Notice of the Annual General Meeting.

### Information on Board of Directors and Board Meetings

The Board of Directors is the apex body constituted by shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long-term interests are being served. The meetings of Board of Directors were held through Video Conferencing.

The functions performed by the Board includes review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of financial results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company. The maximum interval between any two meetings did not exceed 120 days. The Board notes compliance reports of all laws applicable to the Company, every quarter.

During the financial year, Five (5) Board Meeting were held respectively on May 22, 2023, August 11, 2023, November 10, 2023, February 12, 2024, & March 27, 2024.

The Board of Directors periodically reviews reports regarding operations, statutory compliance and other required information as enumerated in Part A of Schedule II of the Listing regulations and as required under relevant provisions of the Companies Act, 2013.

**Relationships between Director inter-se:**

None of the Director is related to other Board Members.

**Confirmation in regard to Independent Directors**

Based on the declaration received from the Independent Directors pursuant to Section 149(6) of the Companies Act, 2013, In the Opinion of the board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

**Meeting of Independent Directors**

Schedule IV of the Companies Act, 2013 and Secretarial Standard – 1 on Meetings of the Board of Directors mandates that the Company’s independent directors meet at least once in a financial year without the presence of executive directors and management personnel to review the performance of Non-Independent Directors and the Board as whole.

During the Financial Year 2023-24, the Independent Directors meet on May 19, 2023 and inter alia, reviewed performance of Non-Independent Directors, the board as a whole, Chairman of the Company and assessed the quality, quantity and timelines of flow of information between the Company’s Management and the Board that is necessary for the board to effectively and reasonably perform their duties.

**Details of familiarization Programs**

At the Board Meetings, apart from the regular agenda items, it is ensured that the Independent Directors are provided a deep and thorough insight into the business model of the Company. Familiarization Programs imparted to Independent Directors pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the website of the Company at [www.splindia.co.in](http://www.splindia.co.in).

**Committees of the Board**

The Company’s guidelines relating to Board meetings are applicable to Committee meetings. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function. In conformity to the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Companies Act, 2013, the composition of these committees of the Board are constituted and reconstituted.

During the period under Reporting, the composition of the Committees was as under:-

| <b>Name of Members</b>                          | <b>Audit Committee</b> | <b>Stakeholders’ Relationship Committee</b> | <b>Nomination &amp; Remuneration Committee</b> | <b>CSR Committee</b> |
|---|------------------------|---|--|----------------------|
| Mr. Hartaj Sewa Singh                           | Yes                    | Yes   | Yes  | Yes                  |
| Mr. Naveen Aggarwal- Independent Director       | Yes                    | No  | Yes  | No                   |
| Mr. Niranjana Kumar Gupta- Independent Director | Yes                    | Yes   | No   | No                   |
| Mr. Shyam Sunder Madan- Independent Director    | No                     | Yes   | No   | Yes                  |
| Mr. Purni Gupta- Independent Director           | No                     | No  | No   | Yes                  |
| Mr. Sanjay Garg- Nominee Director               | No                     | No  | No   | Yes                  |

## SWADESHI POLYTEX LIMITED

### 3. AUDIT COMMITTEE OF BOARD:

In Conformity with the requirements of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013, as applicable, the strength of the Board as also of the Audit Committee is adequate. All the recommendations of the Audit Committee were accepted by the Board during the year.

#### **Broad Terms of Reference of the Audit Committee**

The Audit Committee of the Company comprised of Mr. Naveen Aggarwal, Mr. Niranjan Kumar Gupta and Mr. Hartaj Sewa Singh. After completion of tenure of all independent directors and appointment of new Directors, The Audit Committee of the Company w.e.f. 01<sup>st</sup> April, 2024 comprises of Mr. Gaurav Lodha, Mr. Atul Seksaria and Mr. Hartaj Sewa Singh as members of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

The terms of reference of Audit Committee of the Company are in accordance with Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 *inter-alia*, include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees, and confirm their independence;
3. Approval of payment to statutory auditors for any other services rendered, if authorised by the Board;
4. Review with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Review with the management, the quarterly financial statements before submission to the Board for approval and secure the Certificate from CEO and CFO in terms of the requirements under the Listing Regulations;
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Evaluate internal financial controls and risk management systems;
8. To review the functioning of the Whistle Blower mechanism;
9. Review with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
10. Any other terms of reference as may be included from time to time in the Listing Regulations. During the Year 2023-24, the Audit Committee met Four (4) times on May 22, 2023, August 11, 2023, November 10, 2023 & February 12, 2024.

Attendance of the Members in the Audit Committee Meetings held during the year 2023-24:

| Name  | Designation/<br>Status | No. of Meetings<br>entitled to attend | No. of Meetings<br>attended |
|---|------------------------|---------------------------------------|-----------------------------|
| Mr. Naveen Aggarwal   | Chairman               | 4                                     | 4                           |
| Mr. N.K. Gupta  | Member                 | 4                                     | 4                           |
| Mr. Arun Kumar Singhania (resigned<br>on 10 <sup>th</sup> November, 2023) | Member                 | 3                                     | 3                           |
| Mr. Sanjay Garg (resigned on 10 <sup>th</sup><br>November, 2023)          | Member                 | 3                                     | 3                           |
| Mr. Hartaj Sewa Singh   | Member                 | 1                                     | 1                           |



**4. NOMINATION & REMUNERATION COMMITTEE OF BOARD:**

Mr. Naveen Aggarwal chairs the Nomination & Remuneration Committee of Board of the Company. The other members are Mr. Hartaj Sewa Singh, and Mr. Shyam Sunder Madan and Mr. Arun Kumar Singhania.

Later on, Mr. Arun Kumar Singhania was resigned from the Board on 10<sup>th</sup> November, 2023.

Mr. Hartaj Sewa Singh is Non-Executive Director and others are Independent Director, hence the necessary compliance is ensured. The Company Secretary acts as the Secretary to the Nomination & Remuneration Committee.

The NRC Committee of the Company w.e.f. 01<sup>st</sup> April, 2024 comprises of Mr. Rishabh Chand Lodha, Mr. Atul Seksaria and Mr. Hartaj Sewa Singh as members of the Committee. The Company Secretary acts as the Secretary to the Audit Committee.

**Broad Terms of Reference of the Nomination & Remuneration Committee**

The terms of reference of Nomination & Remuneration Committee of the Company are in accordance with Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Nomination & Remuneration Committee, *inter-alia*:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. devising a policy on diversity of board of directors;
4. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

During the Year 2023-24, the Nomination & Remuneration Committee met Two (2) times on 11<sup>th</sup> August, 2023 and 27<sup>th</sup> March, 2024

Attendance of the Members in the Nomination & Remuneration Committee Meetings:

| Name                 | Designation/<br>Status | No. of Meetings<br>entitled to attend | No. of Meetings<br>attended |
|----------------------|------------------------|---------------------------------------|-----------------------------|
| Naveen Aggarwal      | Chairman               | 2                                     | 2                           |
| Hartaj Sewa Singh    | Member                 | 2                                     | 2                           |
| Shyam Sunder Madan   | Member                 | 2                                     | 2                           |
| Arun Kumar Singhania | Member                 | 1                                     | 1                           |

During the year under review there was no proposal to increase the sitting fees of Independent Directors.

## SWADESHI POLYTEX LIMITED

### All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company.

### Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communicating *inter se* board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

### Remuneration of Directors

The Company doesn't pay any remuneration to the Non-Executive Directors of the Company.

### Sitting Fees

Sitting Fees is paid to Independent Directors for attending the meetings of the Board of Directors and Committees of Directors.

### Remuneration Policy

The Company has adopted and implemented the Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 which is available on the website of the Company [www.splindia.co.in](http://www.splindia.co.in).

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE OF BOARD

Mr. Niranjana Kumar Gupta chairs the Stakeholders' Relationship Committee of Board (SRC). The other members are Mr. Shyam Sunder Madan and Mr. Hartaj Sewa Singh. The Company Secretary acts as the Secretary/ compliance officer to the Stakeholders' Relationship Committee.

The Stakeholders' Relationship Committee of the Company w.e.f. 01<sup>st</sup> April, 2024 comprises of Mr. Hartaj Sewa Singh, Mr. Rishabh Chand Lodha and Shukla Bansal as members of the Committee.

During the Year 2023-24, the Stakeholders' Relationship Committee met One (1) time on February 12, 2024.

Attendance of the Members in the Stakeholders' Relationship Committee Meetings:

| Name                      | Designation/ Status | No. of Meetings entitled to attend | No. of Meetings attended |
|---------------------------|---------------------|------------------------------------|--------------------------|
| Mr. Niranjana Kumar Gupta | Chairman            | 1                                  | 1                        |
| Mr. Shyam Sunder Madan    | Member              | 1                                  | 1                        |
| Mr. Hartaj Sewa Singh     | Member              | 1                                  | 1                        |

Details of Investors/Shareholders Complaint received during the financial year 2023-24:

The Committee is authorised to redress the Shareholders' and Investor's complaints. Four Complaints were received during the year. No Complaint was unresolved as on 31<sup>st</sup> March, 2024. Hence there were no complaints remained unattended/ pending as on 31<sup>st</sup> March, 2024.

**6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

The Corporate Social Responsibility Committee constituted under Board to oversee and give directions to Company's CSR activities under section 135 of Companies Act, 2013. The CSR Committee comprises of Three (3) Directors namely Mr. Shyam Sunder Madan, Chairman, Mr. Sanjay Garg, Member, and Ms. Purni Gupta, Independent Director of the Company. During the financial year 2023-24, One (1) Meeting of CSR Committee was held on May 22, 2023.

The CSR Committee of the Company w.e.f. 01<sup>st</sup> April, 2024 comprises of Mr. Hartaj Sewa Singh, Mr. Gaurav Lodha and Ms. Shukla Bansal as members of the Committee. The Company Secretary acts as the Secretary to the Audit Committee

**7. RISK MANAGEMENT COMMITTEE**

It is applicable only on top thousand listed entities. Company is not covered under the same.

**8. SENIOR MANAGEMENT/KMP**

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

- Mr. Bhuwan Chaturvedi : Chief Executive Officer
- Mr. Ankit Garg : Chief Financial Officer
- Ms. Anuradha Sharma : Company Secretary

There was no change occurred during the year.

**9. GENERAL BODY MEETINGS: ANNUAL GENERAL MEETINGS**

During the preceding three years, the Company's Annual General Meetings were held through Video Conferencing.

The date and time of Annual General Meetings held during last three years, and the no special resolution(s) passed thereat, are as follows:

| Year    | Date               | Time       | Special Resolutions passed |
|---------|--------------------|------------|----------------------------|
| 2022-23 | September 21, 2023 | 11:00 a.m. | Not applicable             |
| 2021-22 | September 21, 2022 | 11:00 a.m. | Not applicable             |
| 2020-21 | September 22, 2021 | 11:00 a.m. | Not applicable             |

**EXTRA-ORDINARY GENERAL MEETING (EGM)**

There were no extra ordinary general Meetings held during the last three years.

**POSTAL BALLOT**

During the financial year 2023-24, the Company did not take any approval of the shareholders by way of postal ballot.

**Subsidiary Companies**

The Company does not have any subsidiary Company.

## 10. MEANS OF COMMUNICATION

### Quarterly results

The Company's Quarterly / Half-Yearly / Annual Financial Results were submitted to the Stock Exchanges immediately after the conclusion of the Board meetings and were also published in any two newspapers namely, in Financial Express (English) and Jansatta (Hindi). Simultaneously, we were also put on the Company's website and can be accessed at <http://www.splindia.co.in>.

### Website

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website ([www.splindia.co.in](http://www.splindia.co.in)) gives information on various announcements made by the Company, Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies of the Company.

### Annual Report

The Annual Report containing, *inter alia*, Audited Financial Statements, Board's Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis Report forms a part of the Annual Report. The Company's Annual Report is also available in downloadable form on the Company's website and can be accessed at <https://www.splindia.co.in/agm.htm>.

### BSE Corporate Compliance & Listing Centre ("Listing Centre")

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

### SEBI Complaints Redress System (SCORES)

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

## 11. GENERAL SHAREHOLDER INFORMATION

### Company Registration Details

The Company is registered in the State of Uttar Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L25209UP1970PLC003320.

### Annual General Meeting

|              |   |  |
|--------------|---|--|
| Day & Date   | : | 27 <sup>th</sup> June, 2024                    |
| Time         | : | 12:00 Noon                                     |
| Venue        | : | Through Video Conferencing as per MCA circular |
| Book Closure | : | June 21, 2024 to June 27, 2024                 |

### Financial Year

Starting on 1<sup>st</sup> April and ending on 31<sup>st</sup> March every year.

**Dividend Payment Date**

Company has not declared any dividend in last seven years hence, it is not applicable.

**Listing on Stock Exchange:**

**Name of the Stock Exchange:** **BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Tel.: +91 22-22721233/4 | Fax : +91 22-22721919

**Stock Code of the Company**

ISIN : INE243N01029  
 Scrip Name : Swadeshi Polytex Limited  
 Security Code : 503816  
 Type of Shares : Equity Shares  
 No. of paid up shares : 3,90,00,000

**Payment of Listing Fees**

Equity Shares of the Company as on the date are listed on the BSE Limited. The Company confirms that it has paid Annual Listing Fee for the Financial Year 2024-25 to the BSE Limited.

**Financial Calendar (Tentative)**

|   |   |                                    |
|---|---|------------------------------------|
| Financial Reporting for the Quarter ended June 30, 2024       | : | Within 45 days from end of quarter |
| Financial Reporting for the Quarter ended September 30, 2024  | : | Within 45 days from end of quarter |
| Financial Reporting for the Quarter ended December 31, 2024   | : | Within 45 days from end of quarter |
| Financial Reporting for the Quarter/year ended March 31, 2025 | : | Within 60 days from end of quarter |

**Market Price Data** (As obtained from BSE Website)

| Month & Year    | High Price | Low Price | Volume<br>(No. of shares) |
|-----------------|------------|-----------|---------------------------|
| April, 2023     | 46.28      | 35.33     | 1,00,880                  |
| May, 2023       | 51.78      | 35.30     | 9,56,650                  |
| June, 2023      | 47.70      | 35.00     | 26,10,000                 |
| July, 2023      | 44.85      | 37.31     | 2,64,380                  |
| August, 2023    | 51.70      | 40.00     | 2,98,020                  |
| September, 2023 | 45.30      | 38.00     | 11,13,000                 |
| October, 2023   | 55.79      | 42.33     | 5,26,770                  |
| November, 2023  | 103.21     | 49.96     | 10,50,000                 |
| December, 2023  | 119.40     | 88.50     | 7,06,620                  |
| January, 2024   | 117.08     | 81.48     | 8,04,820                  |
| February, 2024  | 139.90     | 98.66     | 8,57,430                  |
| March, 2024     | 144.45     | 119.75    | 3,84,450                  |

# SWADESHI POLYTEX LIMITED

## Performance in comparison to broad-based indices such as BSE Sensex

Performance Comparison with BSE SENSEX

\*BSE SPL\*



### Registrar and Share Transfer Agent

#### RCMC SHARE REGISTRY PRIVATE LIMITED

B-25/1, First Floor, Okhla Industrial Area, Phase – 2, New Delhi – 110 020

Tel.: 011-26387320,263873211

E-mail: [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com)

Website: [www.rcmcdelhi.com](http://www.rcmcdelhi.com)

### Share Transfer System

As Per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.

The Company has obtained certificates from Company Secretary in Practice for compliance of share transfer formalities as per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company also obtains reconciliation report from Practicing Company Secretary on quarterly basis. The audit has confirmed that the total issued / paid- up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### Distribution of Shareholding as on March 31, 2024

#### a. Distribution of equity shareholding as on March 31, 2024:

| Range<br>(No. of Shares) | No. of<br>Shareholders | % of<br>Shareholders | Total Shares<br>in the range | % of Shares |
|--------------------------|------------------------|----------------------|------------------------------|-------------|
| Up to 500                | 12666                  | 78.32                | 2562368                      | 6.85        |
| 501 to 1000              | 2134                   | 13.19                | 1959723                      | 5.71        |
| 1001 to 2000             | 771                    | 4.76                 | 1295422                      | 3.31        |
| 2001 to 3000             | 227                    | 1.40                 | 605054                       | 1.54        |

## SWADESHI POLYTEX LIMITED

| Range<br>(No. of Shares) | No. of<br>Shareholders | % of<br>Shareholders | Total Shares<br>in the range | % of Shares   |
|--------------------------|------------------------|----------------------|------------------------------|---------------|
| 3001 to 4000             | 93                     | 0.57                 | 354997                       | 0.89          |
| 4001 to 5000             | 108                    | 0.67                 | 523565                       | 1.35          |
| 5001 to 10000            | 107                    | 0.66                 | 833149                       | 2.14          |
| 10001 to 50000           | 56                     | 0.34                 | 1092326                      | 2.79          |
| 50001 to 100000          | 4                      | 0.04                 | 236721                       | 0.60          |
| And Above                | 7                      | 0.05                 | 29536675                     | 75.74         |
| <b>Total</b>             | <b>16173</b>           | <b>100.00</b>        | <b>39000000</b>              | <b>100.00</b> |

**b. Categories of equity shareholding as on March 31, 2024:**

| Category                 | Number of equity<br>shares held | Percentage of<br>holding (%) |
|--------------------------|---------------------------------|------------------------------|
| Promoters                | 2,65,52,047                     | 68.08                        |
| Directors                | 6,000                           | 0.02                         |
| Banks                    | 21,250                          | 0.05                         |
| Indian Public and others | 91,39,906                       | 23.44                        |
| Corporate Bodies         | 31,12,007                       | 7.98                         |
| NRI                      | 1,68,790                        | 0.43                         |
| <b>Total</b>             | <b>3,90,00,000</b>              | <b>100.00</b>                |

**c. Top ten equity shareholders other than promoter of the Company as on March 31, 2024:**

| Sr.<br>No. | Name of the Shareholder                          | Number of equity<br>shares held | Percentage of<br>holding (%) |
|------------|--|---------------------------------|------------------------------|
| 1          | MKJ Enterprises Limited                          | 20,69,238                       | 5.31                         |
| 2          | Melvin Powel Vanaspati & Engg.<br>Industries Ltd | 8,24,250                        | 2.11                         |
| 3          | Prashant Kumar Bothra                            | 1,48,640                        | 0.38                         |
| 4          | Paresh Amrutlal Trivedi                          | 66059                           | 0.17                         |
| 5          | Madhubala P Trivedi                              | 61,162                          | 0.16                         |
| 6          | Neela Y Shah                                     | 57,000                          | 0.15                         |
| 7          | Dwarkadas Shrinivas Morarka                      | 50,000                          | 0.13                         |
| 8          | Jamuna Devi Jaipuria                             | 50,000                          | 0.13                         |
| 9          | M/s Liberty Silk Mills Pvt Ltd                   | 50,000                          | 0.13                         |
| 10         | Indra Kumar Bagri                                | 41500                           | 0.11                         |

# SWADESHI POLYTEX LIMITED

## Dematerialization of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized mode. As on March 31, 2024, 83.02% shares were held in dematerialized form and balance 16.98% shares were held in physical form. Those shareholders whose shares are held in physical form are requested to dematerialise the same at the earliest in their own interest. The demat security code (ISIN) for the equity shares is INE243N01029.

As on March 31, 2024, the break-up of share capital of the capital of the Company held in dematerialized and Physical form is as under:

| Mode                   | No. of Equity Shares | % of total Shares |
|------------------------|----------------------|-------------------|
| Demat Shares with NSDL | 3,09,66,200          | 79.40             |
| Demat Shares with CDSL | 14,13,070            | 3.62              |
| Physical Shares        | 66,20,730            | 16.98             |
| <b>Total</b>           | <b>3,90,00,000</b>   | <b>100.00</b>     |

## Outstanding GDRS / ADRS / Warrants / Any Other Convertible Instruments, Conversion date and likely impact on equity

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

## Plant Location

The Company is engaged in Real Estate business activities, it does not have any manufacturing plant.

## Address for Correspondence

For any queries relating to the shares of the Company, correspondence may be addressed to the Company's RTA at:

### **RCMC SHARE REGISTRY PRIVATE LIMITED**

B-25/1, First Floor, Okhla Industrial Area, Phase – 2, New Delhi – 110 020

Tel.: 011-26387320,26387321

E-mail: [investor.services@rcmcdelhi.com](mailto:investor.services@rcmcdelhi.com)

Website: [www.rcmcdelhi.com](http://www.rcmcdelhi.com)

The documents will also be accepted at the Registered Office of the Company:

### **Swadeshi Polytex Limited**

KJ-77, J-Block, Kavi Nagar, Ghaziabad-201002 (U.P.)

Tele/Fax: +91-120-2701472, Email: [info@splindia.co.in](mailto:info@splindia.co.in),

Website: [www.splindia.co.in](http://www.splindia.co.in), CIN: L25209UP1970PLC003320

Shareholders are requested to quote their Folio No./ DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its RTA.



### **Credit Ratings:**

During the Financial year 2023-24, the Company has not obtained any Credit Ratings.

### **Investor Helpdesk**

Shareholders / Investors can also send their queries through e-mail to the Company at investor.grievances@splindia.co.in. This designated e-mail has also been displayed on the Company's website [www.splindia.co.in](http://www.splindia.co.in) under the section 'Investors'.

### **Compliance Officer**

The Company has appointed Ms. Anuradha Sharma as a Compliance Officer. The email address of compliance officer is [cs@splindia.co.in](mailto:cs@splindia.co.in).

### **Change in Shareholders Details**

In case the shareholders holding shares in dematerialized form (e.g. in electronic mode), communication regarding change in address, bank account details, change in nomination, dematerialisation of share certificates or other inquiries should be addressed to Shareholders' DP where the shareholders have opened their Demat Account, quoting client ID number. In case of physical holding of shares, any communication for change of any details should be addressed to Registrar & Share Transfer Agent of the Company RCMC SHARE REGISTRY PRIVATE LIMITED, as per address mentioned above.

### **Nomination Facility**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL or CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent (RTA).

### **Service of documents through electronic mode**

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, RCMC SHARE REGISTRY PRIVATE LIMITED or to the company by submitting a written request letter.

### **Proceeds from Public Issue / Rights Issue / Preferential Issue / Warrant Conversion**

During the year, the Company has not raised any fund through Public Issue / Rights Issue / Preferential Issue / Warrant Conversion.

### **Details of Dividend**

The Company has not declared dividend in the last 15-20 years.

### **Details of Unpaid Dividend**

Since, the Company has not paid any dividend, in past years and so there is no unpaid dividend amount.

## 12. OTHER DISCLOSURES

### **Related Party Transaction**

The Company has no materially significant related party transactions with related parties during the financial year which were in conflict with the interest of the Company. All Related Party Transactions during the year have been disclosed vide Note No. 39 of notes on financial statements as per the requirement of “Ind AS 24 - Related Party Disclosure issued by Institute of Chartered Accountants of India (ICAI)”.

The Board has approved a policy for related party transactions which is available on the website of the Company at [https://www.splindia.co.in/corporate\\_governance.htm](https://www.splindia.co.in/corporate_governance.htm).

Business risk evaluation and management is an ongoing process within the Organization. During the period under review, a detailed exercise on the Business Risk Management was carried out covering all aspects of business operations.

### **Certificate from Company Secretary in Practice**

Certificate has been received from a company secretary in practice M/s. Shruti Singhal & Associates stating that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and the same is also attached to this report.

### **Details of Non-Compliance by the Company, Penalties, and Strictures Imposed on the Company by Stock Exchange or SEBI, or any Statutory Authority, on any matter related to Capital Markets during the last three years**

There was no such instances of Non-Compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any Statutory Authority on any matter related to Capital Markets, during the last three years.

### **Establishment of Vigil/Whistle Blower Mechanism**

The Company has established a mechanism for a directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the Victimization of employees who avails the mechanism, and allows the direct access to the chairperson of the Audit Committee in exceptional cases.

The Vigil Mechanism and Whistle Blower Policy is available on the website of the company.

No Personnel were denied access to the Audit Committee of the Company with regards to the above.

### **Adoption of Mandatory and Non-Mandatory requirements**

The Company has complied with all mandatory requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Web link of Policy for determining ‘material’ subsidiaries and related party transactions**

The Company does not have any subsidiary. The weblink of policy for dealing with related party transactions can be accessed on [https://www.splindia.co.in/corporate\\_governance.htm](https://www.splindia.co.in/corporate_governance.htm).

**Commodity price risk or foreign exchange risk and hedging activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

**Details of preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the Listing Regulations**

The Company has not raised funds through preferential allotment or qualified institutional placement.

**Recommendations of Committees of the Board**

There were no instances during the financial year under review, wherein the Board had not accepted recommendations made by any committee of the Board.

**Total Fees paid to Statutory Auditors of the Company**

Total fees of Rs. 10,03,000/- (Rupees Ten Lakhs Three Thousand Only) for financial year 2023-24, for all services i.e. Statutory Audit Fees, Professional Fees for LR, Taxation Fees & Tax Audit Fees, was paid by the Company to the statutory auditor. The Company does not have any Subsidiaries.

**Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2023-24 are as under:

| Sr. No. | Particulars   | No. of Complaints |
|---------|---|-------------------|
| 1.      | Number of complaints filed during the financial year:         | NIL               |
| 2.      | Number of complaints disposed of during the financial year:   | NIL               |
| 3.      | Number of complaints pending as on end of the financial year: | NIL               |

**Risk Management**

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization to ensure smooth operation and effective management control. The Audit Committee has to review the adequacy of the risk management framework of the Company, the key risks associated with the business and to measure the steps to minimize the same.

**Code of Conduct for Prohibition of Insider Trading**

The Code of Conduct for Prohibition of Insider Trading as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 including the policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI is available on our website ([https://www.splindia.co.in/corporate\\_governance.html](https://www.splindia.co.in/corporate_governance.html)).

**SEBI Complaints Redress System (SCORES)**

SEBI administers a centralised web-based complaints redress system (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website [www.scores.gov.in](http://www.scores.gov.in). It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities starting

## SWADESHI POLYTEX LIMITED

from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavors to resolve all investor complaints received through SCORES. There was no unattended or pending investor grievance as on March 31, 2024. Details of Investor Complaints Received and redressed during the year 2023-24 are as follows:

| Opening Balance | Received during the year | Resolved during the year | Closing Balance |
|-----------------|--------------------------|--------------------------|-----------------|
| 0               | 4                        | 4                        | 0               |

### CEO and CFO Certification

CEO & Managing Director and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The CEO & Managing Director and Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by CEO & Managing Director and Chief Financial Officer is published in this Report.

### Compliance Certificate from the Practicing Company Secretary

As required by Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Practicing Company Secretary's certificate on Corporate Governance is annexed to this report.

### Website

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website ([www.splindia.co.in](http://www.splindia.co.in)). A separate section on 'Investors' on the website contains details relating to the financial results declared by the Company, annual reports, Corporate Governance Report, press releases, shareholding patterns and such other material information which is relevant to shareholders.

**Certificate on Non -disqualification of Directors**

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

To,  
Swadeshi Polytex Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Swadeshi Polytex Limited having CIN: L25209UP1970PLC003320 and having registered office at KJ-77, J Block, Kavi Nagar, Ghaziabad, Uttar Pradesh, India, 201002 (hereinafter referred to as 'the company'), produced before me by the Company for the purpose of issuing this certificate in accordance with Regulation 34 (3) read with Schedule V Para-C clause (10) (i) of the SEBI (listing obligations and Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the Portal [www.mca.gov.in](http://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 ended on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| <b>Sr. No.</b> | <b>Name of Director</b>     | <b>DIN</b> | <b>Date of Appointment</b> |
|----------------|-----------------------------|------------|----------------------------|
| 1.             | Mr. Gaurav Swarup           | 00374298   | 30.05.1988                 |
| 2.             | Mr. Hartaj Sewa Singh       | 00173286   | 26.09.2003                 |
| 3.             | Mr. Naveen Aggarwal         | 00936395   | 01.04.2014                 |
| 4.             | Mr. Niranjana Kumar Gupta   | 00923080   | 01.04.2014                 |
| 5.             | Mr. Shyam Sunder Madan      | 02427885   | 01.04.2014                 |
| 6.             | Mr. Ashutosh Gupta          | 09043439   | 12.02.2015                 |
| 7.             | Mr. Palani Samy Kungumaraju | 10164262   | 18.04.2023                 |

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 Shruti Singhal & Associates  
Company Secretaries

Sd/-  
Shruti Garg  
Proprietor  
C.P. No. 22138  
Date: 09<sup>th</sup> May, 2024  
Place: Ghaziabad

Peer Review No.-5223/2023  
UDIN: A057010F000338709

## CERTIFICATE ON CORPORATE GOVERNANCE

**(Pursuant to Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

Swadeshi Polytex Limited

I, Shruti Garg, Practicing Company Secretary have examined the compliance of conditions of Corporate Governance by the Company for the year ended March 31, 2024 as stipulated in Regulation 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

I 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 Shruti Singhal & Associates  
Company Secretaries

Sd/-

Shruti Garg

Proprietor

C.P. No. 22138

Date: 09<sup>th</sup> May, 2024

Place: Ghaziabad

Peer Review No.-5223/2023

UDIN: A057010F000338742

**INFORMATION PURSUANT TO SECTION 197 OF THE ACT READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014**

1. **Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:** The Company is not paying remuneration to any Director; therefore, the same is not applicable on the Company.
2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:** 20% Increase in the remuneration of CFO & CS of the Company during the Financial Year 2023-24. After that no increase made during the year.
3. **The percentage increase in the median remuneration of employees in the financial year:** Not applicable as the Company does not have employees.
4. **Number of permanent employees on the rolls of the Company:** Nil
5. **Average percentile increases already made in the salaries of employees' other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not Applicable
6. **Key parameters for any variable component of remuneration availed by the directors:** Not applicable
7. **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid to Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.
8. **Statement pursuant to Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:** Not applicable as the Company does not have employees.

By order of the Board  
For **Swadeshi Polytex Limited**

Sd/-  
(Hartaj Sewa Singh)  
Director  
(DIN: 00173286)

Sd/-  
(Gaurav Lodha)  
Director  
(DIN: 03414211)

Place: Ghaziabad  
Date: 16<sup>th</sup> May, 2024

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

**1. Brief outline on CSR Policy of the Company:**

It is pertinent that business enterprises are economic organs of society and draw on societal resources; we at the company believe that a company’s performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability.

Swadeshi Polytex aims to carry out charitable objects and purposes wide enough for the extension of benefit thereof to all, irrespective of class, creed and relief of poor, education, medical relief and advancement of any object of general and/or public utility. Such Corporate Social Responsibility (CSR) projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and working for a cause of humanity.

**2. Composition of CSR Committee as on March 31, 2024:**

| S. No. | Name of Director        | Designation/Nature of Directorship | Number of meetings of CSR Committee held during FY 2023-24 | Number of meetings attended |
|--------|-------------------------|------------------------------------|--|-----------------------------|
| 1      | *Mr. Shyam Sunder Madan | Chairman, Independent Director     | 1  | 1                           |
| 2      | Mr. Sanjay Garg         | Member, Nominee Director           | 1  | 1                           |
| 3      | *Ms. Purni Gupta        | Member, Independent Director       | 1  | 0                           |

Further, Consequent to the completion of two terms of Independent Directors on 31<sup>st</sup> March, 2024, their appointment ceased w.e.f. 31<sup>st</sup> March, 2024 and new Independent Directors were appointed on the Board in the Board Meeting held on 27<sup>th</sup> March, 2024, w.e.f. 1<sup>st</sup> April, 2024.

Accordingly, New committee Structure is as follows:

1. Mr. Hartaj Sewa Singh : Chairman
2. Mr. Gaurav Lodha : Committee Member
3. Ms. Shukla Bansal : Committee Member

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

[https://www.splindia.co.in/corporate\\_governance.html](https://www.splindia.co.in/corporate_governance.html)

**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 Policy) Rules, 2014 and amount required for set off for the financial year, if any:** Not Applicable

**6. Average net profit of the company as per section 135(5):** Rs. 25, 23,51,000/-

**7. (a) Two percent of average net profit of the company as per section 135(5):** Rs. 50,47,020/-

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil



- (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the Financial year (7a+7b-7c): Rs. 50,47,020/-

8. (a) CSR amount spent or unspent for the Financial Year:

| Total amount spent for the Financial Year (in Rs.) | Amount Unspent (in Rs.)  |                  |  |        |                  |
|--|--|------------------|--|--------|------------------|
|  | 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 |
| 51,03,000/-  | NIL  |                  | NIL  |        |                  |

- (b) Details of CSR amount spent against ongoing projects for FY 2024: Nil  
 (c) Details of CSR amount spent against other than ongoing projects for FY 2024: NA  
 (d) Amount spent in Administrative Overheads: Nil  
 (e) Amount spent on Impact Assessment, if applicable: Not Applicable  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. NIL  
 (g) Excess amount for set off, if any:

| S. No. | Particular  | Amount (in Rs.) |
|--------|---|-----------------|
| (i)    | Two percent of average net profit of the company as per section 135(5)                                      | 50,47,020/-     |
| (ii)   | Total amount spent for the Financial Year   | 51,03,000/-     |
| (iii)  | Excess amount spent for the Financial Year [(ii)-(i)]   | 55,980/-        |
| (iv)   | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil             |
| (v)    | Amount available for set off in succeeding financial years[(iii)-(iv)]                                      | 55,980/-        |

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA  
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
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: Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

By order of the Board  
 For **Swadeshi Polytex Limited**

Sd/-  
 (Hartaj Sewa Singh)  
 Director  
 (DIN: 00173286)

Sd/-  
 (Gaurav Lodha)  
 Director  
 (DIN: 03414211)

Place: Ghaziabad  
 Date: 16<sup>th</sup> May, 2024

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

*FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024*

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

The Members

Swadeshi Polytex Limited

(CIN: L25209UP1970PLC003320)

KJ-77, J- Block, Kavi Nagar, Ghaziabad – 201002 (U. P.)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Swadeshi Polytex Limited (hereinafter called **“the Company”**). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Swadeshi Polytex 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, I hereby report that in my 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:-

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Swadeshi Polytex Limited (**“the Company”**) for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of :-

- (i) The Companies Act, 2013 (“the Act”) and rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings; the provisions of the Overseas Direct Investment, and External Commercial Borrowings wherever applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) :-
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the audit period) ;
  - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (d) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018 (Not applicable during the Audit Period);
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable during the audit period) ;
  - (f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not applicable during the Audit Period);
  - (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ('Delisting Regulations') (Not applicable during the Audit Period);
  - (i) Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client to the extent of securities issued (Not applicable during the Audit Period);
  - (j) Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2018 (Not applicable during the Audit Period);
  - (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (to the extent applicable);
  - (l) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 ; and
- (vi) Indian Contract Act, 1872;
  - (vii) Indian Stamp Act, 1899;
  - (viii) Contract Labour (Regulation and Abolition) Act, 1970;
  - (ix) Industrial Employment (Standing Orders) Act, 1946 and other applicable labour laws.
  - (x) Water (Prevention and Control of Pollution) Act, 1974 and Rules;

I have also examined the compliance with respect to the applicable clauses of the following:-

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into by the Company with the BSE Limited, Mumbai.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc. mentioned above.

**I FURTHER REPORT THAT** the compliance by the Company of applicable fiscal laws, such as direct and indirect laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditors.

### **I FURTHER REPORT THAT:-**

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

## SWADESHI POLYTEX LIMITED

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- 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, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I FURTHER REPORT THAT** there are adequate compliance 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.

I further report that during the audit period, there were no instances of :-

- (i) Public / Rights / Preferential Issue of Shares / Debenture / Sweat Equity;
- (ii) Redemption / Buy-back of Securities;
- (iii) Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013;
- (iv) Merger / Amalgamation / Reconstruction etc.;
- (v) Foreign Technical Collaborations.

**Sd/-**

**Name : CS BALDEV SINGH KASHTWAL**

**FCS No. : 3616**

**C P No. : 3169**

**ICSI – UDIN : F003616F000378364**

**ICSI - Peer Review Certificate Number : 1205/2021**

**ICSI - Unique Identification Number : I1999DE144000**

**Date: May 16, 2024**

**Place: Delhi**

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

To,  
The Members  
Swadeshi Polytex Limited  
(CIN: L25209UP1970PLC003320)  
KJ-77, J-Block, Kavi Nagar,  
Ghaziabad – 201002 (U. P.)

**Re: Secretarial Audit Report for the Financial Year ended 31<sup>st</sup> March, 2024 of even date is to be read along with this letter**

I report that:-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b) I 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 of the scanned copies of the records was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- c) I have not verified the correctness and appropriateness of the financial statements of the Company.
- d) I have obtained the management representation about the compliance of laws, rules and regulations, wherever required.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on a random test basis.
- f) 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.

**Sd/-**

**Name : CS BALDEV SINGH KASHTWAL**

**FCS No. : 3616**

**C P No. : 3169**

**ICSI – UDIN : F003616F000378364**

**ICSI - Peer Review Certificate Number : 1205/2021**

**ICSI - Unique Identification Number : I1999DE144000**

Date: May 16, 2024

Place: Delhi

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Pursuant to Regulation 34(3) and Para B of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the amendments thereof, details of the Management discussion and analysis are given below:

**ECONOMIC REVIEW****Indian Economic Scenario**

The Indian economy continued to exhibit a resilient performance despite global uncertainties. The Reserve Bank of India (RBI) expects the Indian economy to be amongst the fastest growing economies in FY 2024-25 led by improving macroeconomic fundamentals and sustained momentum in domestic economy.

India's GDP growth accelerated to 6.8% in the January to March 2024 quarter, lifting the economy's uptick in 2023-24 to 7.2% from the 7% estimated earlier.

**Industry Review**

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces. Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector.

The commercial segment exhibited a strong performance and sustained momentum during the last financial year despite several headwinds. The offices segment exhibited resiliency and has started to witness gradual recovery resulting in improvement in occupancy levels across quality assets. This recovery was primarily led by the return to normal and back-to-office policies for the majority, however, certain occupiers continue to operate on a flexible and hybrid approach. The retail segment delivered robust growth as a result of increase in consumption and footfalls.

**OPPORTUNITIES, THREATS, RISK AND CONCERNS**

As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term. Your Company's well accepted brand, contemporary architecture, well designed projects in strategic locations, strong balance sheet and stable financial performance even in testing times make it a preferred choice for customers and shareholders.

**BUSINESS OUTLOOK AND OVERVIEW**

The Company had entered into Real Estate in the year 2011. Your Company is selling its real estates and it is the intention of your Company to use the funds so generated to explore opportunities in growth areas and industries.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

The Human Resources (HR) function is instrumental in creating and developing human capital in alignment with the Company Objectives. Your Company currently has to build its human resources based on the finalization of the opportunities it will focus on in the near future. Industrial relations are been cordial as your Company does not have any work force with the cessation of production activities.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguard and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to management is reliable and timely. Company ensures adherence to all statutes.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal financial controls, commensurate with its size and business operation. It ensures timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorized use or disposition and compliance with all applicable regulatory laws and Company policies.

Internal Auditors of the Company review the internal financial control systems on a regular basis for its effectiveness, and necessary changes and suggestions are duly incorporated into the system. Internal audit reports are also reviewed by the Audit Committee of the Board.

## FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has only one segment i.e., Real Estate. The Company's revenue from operations increased to Rs. 9,925.65 Lakhs for the financial year 2023-24, as compared to Rs. 4,433.55 Lakhs in the previous year. The Company continued its focus on core business activity in the Industrial land. The key revenue streams for the Company include sale of lease plot land. The Company continues to maintain its conservative financial profile and funds its requirements largely through internal cash generation.

## CAUTIONARY STATEMENT

Statements in the Management's Discussion and analysis report describing the Company's objectives, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand supply conditions, change in Government regulations, tax regimes, economic developments within the country and other statutes and incidental factors.

By order of the Board  
For **Swadeshi Polytex Limited**

Place: Ghaziabad  
Date: 16<sup>th</sup> May, 2024

Sd/-  
(Hartaj Sewa Singh)  
Director  
(DIN: 00173286)

Sd/-  
(Gaurav Lodha)  
Director  
(DIN: 03414211)

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Swadeshi Polytex Limited  
Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Swadeshi Polytex Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to financial statements including 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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



| <b>S. No</b> | <b>Key Audit Matter</b>   | <b>Auditor's Response</b>  |
|--------------|---|--|
| 1            | <p>The Company's accounting policies on revenue recognition are set out in Note 3.1 (a) &amp; 4.5 to the financial statements.</p> <p>The amount of revenue and cost thereon from contracts with customers forms a substantial part of the statement of profit and loss and management judgement is also involved in the interpretation of the related conditions.</p> <p>The above transaction required audit focus due to the significant impact of the same on the accompanying financial statement of the Company. The matter has been considered to be of most significance to the audit and accordingly, has been considered as a key audit matter.</p> | <p>Our Principal Audit procedures included the following :</p> <ul style="list-style-type: none"> <li>■ Evaluated the appropriateness of the Company's revenue recognition policies with respect to the principles laid down in Ind AS 115;</li> <li>■ Obtained and understood revenue recognition process including identification of performance obligations by the Company and the customers.</li> <li>■ Enquiring from the management and verified the internal controls related to revenue recognition for ensuring the completeness of the customer sales, issue of relinquishment letters and the recording of customer receipts;</li> <li>■ We have studied the relevant Agreements and Deeds along with addendums and clarificatory amendments thereto relating to sale of leasehold plots in the context of recognition of revenue. We have also examined the communications , if any, received by the Company from its customer.</li> <li>■ We have verified on sample basis the relinquishment letters issued by the Company to the customers alongwith collection from customers in respect of leasehold plots and applied cut off procedures for revenue recognition.</li> </ul> |
|              | <p>Refund claims related to discontinued operations</p>   | <p>Our Principal Audit Procedures included :</p> <ul style="list-style-type: none"> <li>■ We read and evaluated the accounting policies and disclosures made in the financial statements with respect to refund claims.</li> <li>■ We obtained list of claims filed by the Company with various forums and understood the process of recognition of income arising out of the said claims.</li> <li>■ We have read the Orders passed by the Judicial Authorities and appeals filed by the concerned Departments and the Company and understood the process of determination of point of time for identification and recognition of income.</li> <li>■ We have read the minutes of meetings of the Audit Committee and Board of Directors of the company related to noting of status of outstanding claims.</li> </ul>  |

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon. The other information 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 do not express any form of assurance conclusion thereon.

## SWADESHI POLYTEX LIMITED

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

### **Management's and Board of Directors' Responsibilities for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors 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.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 of the aforesaid Financial Statements.
  - 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 except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and back-up of the books of accounts and other papers maintained in electronic mode has been maintained on the server physically located in India on periodical basis instead of daily basis.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows 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 of the Company as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**” to this report wherein we have expressed an unmodified opinion.
- g) With respect to the other matter to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the Company had not paid remuneration to its directors during the current year.
- 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 information and explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2024 on its financial position in its financial statements - Refer Note 34 to the financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 44.5 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds 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, as disclosed in Note 44.6 to the Financial Statements, no funds have been received by the Company from any persons 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; and
  - (c) Based on such 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). The Company has neither declared nor paid any dividend during the year.
- vi). Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and same has operated

throughout the year for all relevant transactions recorded in the said software. Further, we have not come across any instance of the audit trail feature being tempered with.

The feature of recording audit trail (edit log) facility was not enabled for maintenance of inventory and property, plant & equipments records for the year.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable with effect from 1<sup>st</sup> April, 2023, reporting under Rule 11(g) of 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 31<sup>st</sup> March 2024.

**For SANMARKS & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 003343N**

**Sd/-  
S. K. Bansal  
Partner**

**Membership No.: 082242  
UDIN: 24082242BKFOEO8609**

**Place : Faridabad  
Date : 16-05-2024**

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**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" section of our Report of even date to the members of Swadeshi Polytex Limited for the year ended 31<sup>st</sup> March 2024.) We report that :

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and Right of Use Assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) We are explained that the management has carried out the physical verification of its Property, Plant and Equipment and Right of Use Assets at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (c) On the basis of our examination of records of the Company and information and explanations given, the title deeds of the immovable property (other than property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in Property, Plant & Equipment are held in the name of the Company. Further, in respect of Right of Use asset being leasehold Land in respect of which the Company is lessee, the related lease agreement has been executed and registered in the name of the Company after the date of balance sheet but before the date of this report. Further, the provisions of this clause are not applicable in respect of leasehold land owned by the Company and held as Stock in Trade.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of records of the Company, 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 (45 of 1988) and rules made thereunder.

## SWADESHI POLYTEX LIMITED

- (ii) (a) The only inventory in hand is in the form of lease hold plots for which management has conducted physical verification in the form of measurement, frequency of which in our opinion is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on the physical verification of the same as compared to book records that were 10% or more in the aggregate.
- (b) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not been sanctioned any working capital limits at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of records of the Company, during the year under report, the Company has neither made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties. Hence reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, it had complied with provisions of sections 185 and 186 of the Act in respect of loans granted by it to a party in earlier year.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and relevant rules framed thereunder. Accordingly reporting requirements under clause 3(v) of the Order are not applicable to the Company.
- (vi) We are informed that the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us it has been regular in depositing undisputed statutory dues, including Goods and Service Tax, Income Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. Further, there were no arrears of such undisputed dues as at 31<sup>st</sup> March 2024 for a period of more than six months from the date they became payable. As explained to us, provisions of Employees Provident Fund and Employees' State Insurance Act are not applicable to the Company for the year under report as it had no employees.
- (b) According to information and explanation given to us and on the basis of our examination of the books of accounts of the company, following are the details of income tax/custom duty/ excise duty, which have not been deposited as at March 31, 2024 on account of any dispute:

| Name of Statute              | Nature of Dues   | Amount (Rs in lac) | Period  | Forum at which dispute is pending |
|------------------------------|--|--------------------|---------|-----------------------------------|
| The Customs Act, 1962        | Custom Duty & other dues.                              | 17.11              | Various | Various                           |
| The Central Excise Act, 1944 | Refund of the Central Excise Duty and interest thereon | 323.60             | 2019-20 | CESAT                             |
| The Income Tax Act, 1961     | Demand for assessment year 2012-13                     | 22.17              | 2012-13 | CIT (Appeals)                     |

- (viii) According to information and explanation given to us and on the basis of our examination of the records of the company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to information and explanation given to us and on the basis of our examination of the records of the company, the Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) According to information and explanation given to us and on the basis of our examination of the records of the company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) According to information and explanation given to us and on the basis of our examination of the records of the company, it has not taken any term loan during the year under report. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) According to information and explanation given to us and on an overall examination of the financial statements of the Company, it has not raised any funds on short-term basis. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) According to information and explanation given to us, the Company has neither any subsidiary company, associate company or joint ventures company nor it has taken any funds from any entity or person. Hence reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order 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, hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) According to information and explanation given to us and on the basis of examination of records of the Company, during the year under report, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our 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 year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act 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, during the year and upto the date of this report.
- (c) We have been informed by the management that the Company has not received any whistle blower complaints during the year, hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly reporting under paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the

## SWADESHI POLYTEX LIMITED

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details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports of the Company for the period under audit issued to the Company during the year and till date.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them, 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 Accordingly reporting under clause 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, in our opinion, there is no Core Investment Company as a part of the group. Accordingly 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 reporting under paragraph 3(xviii) of the Order is not applicable to the Company
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, in respect of other than ongoing projects there are no unspent amounts towards Corporate Social Responsibility (CSR) which are required to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) Based on our examination of records of the Company and as explained to us, the Company has transferred funds during the year required to be spent on CSR to various implementing agencies for designated projects. Based on third party confirmations, we report that there are no unspent amounts under section 135(5) of the Act pursuant to the ongoing projects



being undertaken by the said implementing agencies. Hence no amounts are required to be transferred to special account in compliance with provisions of sub-section (6) of section 135 of the Act.

For **SANMARKS & ASSOCIATES**  
Chartered Accountants  
Firm's Registration No. 003343N

Sd/-

S. K. BANSAL

Partner

Membership No.: 082242

Place : Faridabad

Date : 16-05-2024

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### **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF SWADESHI POLYTEX LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH,2024.**

**(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Swadeshi Polytex Limited of even date)**

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

We have audited the internal financial controls with reference to financial Statements of Swadeshi Polytex Limited (“the Company”) as of 31 March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s and Board of Directors’ Responsibilities for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

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

## SWADESHI POLYTEX LIMITED

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of internal financial controls with reference the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to the Financial Statements.**

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

- a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) 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;
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to the Financial Statements**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial control with reference to Financial Statements 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 SANMARKS & ASSOCIATES  
Chartered Accountants  
Firm's Registration No. 003343N**

**Sd/-  
S. K. BANSAL  
Partner**

**Place : Faridabad  
Date : 16-05-2024**

**Membership No.: 082242  
UDIN: 24082242BKFOE08609**

# SWADESHI POLYTEX LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2024

(Rs. in '000)

| Particulars  | Note No | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|---------|-------------------------|-------------------------|
| <b>I ASSETS</b>  |         |                         |                         |
| <b>(1) Non-current asset</b>   |         |                         |                         |
| (a) Property, Plant and Equipment  | 5       | 483                     | 640                     |
| (b) Right of use Assets  | 6       | 49,064                  | -                       |
| (c) Intangible Assets  | 7       | 108                     | 164                     |
| (d) Financial Assets:  |         |                         |                         |
| (i) Loans  | 8       | -                       | 3,768                   |
| (ii) Other non-current assets  | 9       | 62,010                  | 1,18,025                |
| <b>Total non-current assets</b>  |         | <b>1,11,665</b>         | <b>1,22,597</b>         |
| <b>(2) Current Asset</b>   |         |                         |                         |
| (a) Inventories  | 10      | 6,417                   | 37,782                  |
| (b) Financial Assets:  |         |                         |                         |
| (i) Cash and cash equivalents  | 11      | 1,02,284                | 174                     |
| (ii) Other bank balances   | 12      | 8,83,837                | 4,64,744                |
| (iii) Loans  | 13      | -                       | 435                     |
| (iv) Other Financial Assets  | 14      | 8,064                   | 12,924                  |
| (c) Current Tax Assets (net)   | 15      | 9,605                   | 9,169                   |
| (d) Other Current Assets   | 16      | 417                     | 3,155                   |
| <b>Total current assets</b>  |         | <b>10,10,624</b>        | <b>5,28,383</b>         |
| <b>Total Assets</b>  |         | <b>11,22,289</b>        | <b>6,50,980</b>         |
| <b>II EQUITY &amp; LIABILITIES</b>   |         |                         |                         |
| <b>EQUITY</b>  |         |                         |                         |
| (a) Equity share capital   | 17      | 39,000                  | 39,000                  |
| (b) Other equity   | 18      | 10,48,465               | 2,24,949                |
| <b>Total Equity</b>  |         | <b>10,87,465</b>        | <b>2,63,949</b>         |
| <b>LIABILITIES</b>   |         |                         |                         |
| <b>(1) Non current liabilities</b>   |         |                         |                         |
| <b>(a) Financial liabilities</b>   |         |                         |                         |
| (i) Other financial liabilities  | 19      | 21,642                  | 21,642                  |
| (b) Deferred Tax Liabilities (net)   | 20      | 39                      | 57                      |
| <b>Total non-current liabilities</b>   |         | <b>21,681</b>           | <b>21,699</b>           |
| <b>(2) Current liabilities</b>   |         |                         |                         |
| <b>(a) Financial liabilities:</b>  |         |                         |                         |
| (i) Trade payables   | 21      |                         |                         |
| (a) total outstanding dues of micro enterprises and small enterprises                      |         | 1,274                   | 1,373                   |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises |         | 7,588                   | 9,801                   |
| (ii) Other financial liabilities   | 22      | 10                      | 10                      |
| (b) Other current liabilities  | 23      | 4,271                   | 3,51,037                |
| (c) Provisions   | 24      | -                       | 3,111                   |
| <b>Total current liabilities</b>   |         | <b>13,143</b>           | <b>3,65,332</b>         |
| <b>Total Equity and Liabilities</b>  |         | <b>11,22,289</b>        | <b>6,50,980</b>         |

Significant Accounting Policies

4

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

As per our Report of even date attached

For SANMARK & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-

**(S.K. Bansal)**

Partner

FRN : 003343N, M.No. : 082242

Sd/-

**(Hartaj Sewa Singh)**

Director

DIN : 00173286

Sd/-

**(Gaurav Lodha)**

Director

DIN : 03414211

Place : Faridabad

Date : 16 May, 2024

UDIN: 24082242BKFOEO8609

Sd/-

**(Ankit Garg)**

Chief Financial Officer

Sd/

**(Anuradha Sharma)**

Company Secretary

Sd/-

**(Bhuwan Chaturvedi)**

Chief Executive Officer

# SWADESHI POLYTEX LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

(Rs. in '000)

| Particulars  | Note No. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|----------|---------------------------|---------------------------|
| <b>INCOME</b>  |          |                           |                           |
| Revenue from operations  | 25       | 9,92,566                  | 4,43,356                  |
| Other Income   | 26       | 66,706                    | 24,666                    |
| <b>Total Income</b>  |          | <b>10,59,272</b>          | <b>4,68,022</b>           |
| <b>EXPENSES</b>  |          |                           |                           |
| Land and Site Development Expenses   |          | 6,047                     | -                         |
| Changes in inventories   | 27       | 31,365                    | 12,257                    |
| Depreciation and amortization expense  | 28       | 538                       | 161                       |
| Other expenses   | 29       | 30,761                    | 23,225                    |
| <b>Total Expenses</b>  |          | <b>68,711</b>             | <b>35,643</b>             |
| <b>Profit before tax from continuing operation</b>                                 |          | <b>9,90,561</b>           | <b>4,32,379</b>           |
| Tax Expenses of continuing operation   | 20       |                           |                           |
| - Current tax  |          | 1,65,467                  | 73,534                    |
| - Tax adjustment of earlier Years  |          | 208                       | (12)                      |
| - Deferred tax   |          | (18)                      | 10,139                    |
| <b>Total Tax Expenses</b>  |          | <b>1,65,657</b>           | <b>83,661</b>             |
| <b>Profit / (Loss) from continuing operations</b>                                  |          | <b>8,24,904</b>           | <b>3,48,718</b>           |
| Profit / (Loss) from discontinued operations                                       | 30       | (1,855)                   | (332)                     |
| Tax expenses of discontinued operations  |          | (467)                     | (84)                      |
| <b>Profit / (Loss) from discontinuing operations after tax</b>                     |          | <b>(1,388)</b>            | <b>(248)</b>              |
| <b>Profit / (Loss) for the year</b>  |          | <b>8,23,516</b>           | <b>3,48,470</b>           |
| <b>Other comprehensive income</b>  |          |                           |                           |
| A (i) Items that will not be reclassified to profit or loss                        |          | -                         | -                         |
| (ii) Income tax relating to items that will not be reclassified to profit or loss  |          | -                         | -                         |
| B (i) Items that will be reclassified to profit or loss                            |          | -                         | -                         |
| (ii) Income tax relating to items that will be reclassified to profit or loss      |          | -                         | -                         |
| <b>Total comprehensive income for the year</b>                                     |          | <b>8,23,516</b>           | <b>3,48,470</b>           |
| <b>Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)</b> |          |                           |                           |
| <b>-Continued Business</b>   |          |                           |                           |
| (i) Basic (in Rs.)   | 31       | 21.15                     | 8.94                      |
| (ii) Diluted (in Rs.)  | 31       | 21.15                     | 8.94                      |
| <b>Earnings per equity share of face value of Rs. 1/- each (P.Y. Rs. 1/- each)</b> |          |                           |                           |
| <b>- Discontinued Business</b>   |          |                           |                           |
| (i) Basic (in Rs.)   | 31.1     | (0.04)                    | (0.01)                    |
| (ii) Diluted (in Rs.)  | 31.1     | (0.04)                    | (0.01)                    |

Significant Accounting Policies

4

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

As per our Report of even date attached

For SANMARK & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-

(S.K. Bansal)

Partner

FRN : 003343N, M.No. : 082242

For and on behalf of the Board of Directors

Sd/-

(Hartaj Sewa Singh)

Director

DIN : 00173286

Sd/-

(Gaurav Lodha)

Director

DIN : 03414211

Sd/-

(Ankit Garg)

Chief Financial Officer

Sd/

(Anuradha Sharma)

Company Secretary

Place : Faridabad

Date : 16 May, 2024

UDIN: 24082242BKFOEO8609

Sd/-

(Bhuwan Chaturvedi)

Chief Executive Officer

# SWADESHI POLYTEX LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024

|   |            | Year Ended<br>31-03-2024<br>Amount (Rs) | Year Ended<br>31-03-2023<br>Amount (Rs) |
|---|------------|---|---|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>                              |            |   |   |
| Profit / (Loss) for the year before Tax from continuing operations        |            | 9,90,561                                | 4,32,379                                |
| Profit / (Loss) for the year before Tax from discontinuing operations     |            | (1,855)                                 | (332)                                   |
| Adjustments for :   |            |   |   |
| Depreciation and amortization expenses                                    |            | 538                                     | 161                                     |
| (Profit) / Loss on Sale of Property, Plant and Equipment                  |            | 12                                      | -                                       |
| Interest received   |            | (66,706)                                | (24,666)                                |
| <b>Operating Profit before working capital changes</b>                    |            | <b>9,22,550</b>                         | <b>4,07,542</b>                         |
| Adjustments for :   |            |   |   |
| (Increase)/Decrease in Other financial assets (Non-Current)               |            | (74)                                    | -                                       |
| (Increase)/Decrease in Inventories  |            | 31,365                                  | 12,257                                  |
| (Increase)/Decrease in Current Tax Assets (net)                           |            | (436)                                   | 8,163                                   |
| (Increase)/Decrease in Other current assets                               |            | 2,738                                   | (757)                                   |
| Increase/(Decrease) in Trade payables                                     |            | (2,312)                                 | 7,079                                   |
| Increase/(Decrease) in Other-current Liabilities                          |            | (3,46,766)                              | (46,055)                                |
| Increase/(Decrease) in Provisions-Current                                 |            | (3,111)                                 | 1,660                                   |
| <b>Cash generated from Operations</b>                                     |            | <b>6,03,954</b>                         | <b>3,89,889</b>                         |
| Direct Taxes Paid   |            | (1,65,208)                              | (73,438)                                |
| <b>Net Cash flow from Operating activities #</b>                          | <b>(A)</b> | <b>4,38,746</b>                         | <b>3,16,451</b>                         |
| # (Net of CSR Expenditure Outgo Rs. 5103 thousand, P/Y Rs. 3111 thousand) |            |   |   |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                              |            |   |   |
| Purchase of Property, Plant and Equipment                                 |            | (19)                                    | (269)                                   |
| One time payment made for acquiring Right of use Assets                   |            | (49,407)                                | -                                       |
| Proceeds from Disposal of Property, Plant and Equipment                   |            | 25                                      | -                                       |
| Placement of fixed deposits with Bank                                     |            | (4,64,507)                              | (3,56,443)                              |
| Interest received on Loans and Fixed Deposits with Banks                  |            | 71,566                                  | 12,251                                  |
| Realization of Loans given  |            | 4,203                                   | 399                                     |
| <b>Net cash used in Investing activities</b>                              | <b>(B)</b> | <b>(4,38,139)</b>                       | <b>(3,44,062)</b>                       |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                              |            |   |   |
| (Repayment) of Borrowings   |            | -                                       | -                                       |
| Net cash from / (used in) financing activities                            | <b>(C)</b> | <b>-</b>                                | <b>-</b>                                |
| <b>Net increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b> |            | <b>607</b>                              | <b>(27,611)</b>                         |
| Add: Cash and Cash Equivalents at the beginning of the year               |            | 174                                     | 27,785                                  |
| Cash and Cash Equivalents at the end of the year                          |            | 781                                     | 174                                     |
| <b>Cash and Cash Equivalents Comprises;</b>                               |            |   |   |
| Cash on Hand  | 11         | 38                                      | 26                                      |
| Balances with Banks in Current Accounts                                   | 11         | 743                                     | 148                                     |
|   |            | 781                                     | 174                                     |
| <b>Supplementary Information</b>  |            |   |   |
| Fixed Deposits with bank includes   |            |   |   |
| Deposits offered as Security to a Local Authority for                     |            |   |   |
| Performance obligations   | 12         | 44,909                                  | 42,480                                  |
| Deposits offered as Security to Forest Department and Bank                | 9          | 1,165                                   | 6                                       |

\* Represents Fixed Deposits with Banks having original maturity of more than 3 months not considered as cash & cash equivalent

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.

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

As per our Report of even date attached  
For SANMARK & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-  
**(S.K. Bansal)**  
Partner  
FRN : 003343N, M.No. : 082242

Sd/-  
**(Hartaj Sewa Singh)**  
Director  
DIN : 00173286

Sd/-  
**(Gaurav Lodha)**  
Director  
DIN : 03414211

Place : Faridabad  
Date : 16 May, 2024  
UDIN: 24082242BKFOEO8609

Sd/-  
**(Ankit Garg)**  
Chief Financial Officer

Sd/  
**(Anuradha Sharma)**  
Company Secretary

Sd/-  
**(Bhuwan Chaturvedi)**  
Chief Executive Officer

# SWADESHI POLYTEX LIMITED

## STATEMENT OF CHANGES IN EQUITY

### A. EQUITY SHARE CAPITAL\*

(Rs. in '000)

| CURRENT REPORTING PERIOD (AS AT 31 <sup>ST</sup> MARCH, 2024)     |        |
|---|--------|
| Particulars   | Amount |
| Balance at the beginning of the current reporting period          | 39,000 |
| Changes in equity share capital due to prior period errors        | -      |
| Restated balance at the beginning of the current reporting period | -      |
| Changes in equity share capital during the current year           | -      |
| Balance at the end of the current reporting period                | 39,000 |

| PREVIOUS REPORTING PERIOD (AS AT 31 <sup>ST</sup> MARCH, 2023)     |        |
|--|--------|
| Particulars  | Amount |
| Balance at the beginning of the previous reporting period          | 39,000 |
| Changes in equity share capital due to prior period errors         | -      |
| Restated balance at the beginning of the previous reporting period | -      |
| Changes in equity share capital during the previous year           | -      |
| Balance at the end of the previous reporting period                | 39,000 |

### B. OTHER EQUITY#

#### CURRENT REPORTING PERIOD (AS AT 31<sup>ST</sup> MARCH, 2024)

(Rs. in '000)

| Particulars   | Reserve and Surplus |                            |                   |           |
|---|---------------------|----------------------------|-------------------|-----------|
|   | General Reserve     | Capital Redemption Reserve | Retained Earnings | Total     |
| Balance at the beginning of the current reporting period          | 1,67,070            | 10,975                     | 46,904            | 2,24,949  |
| Changes in accounting policy or prior period errors               | -                   | -                          | -                 | -         |
| Restated balance at the beginning of the current reporting period | -                   | -                          | -                 | -         |
| Total Comprehensive Income for the current year                   | -                   | -                          | 8,23,516          | 8,23,516  |
| Dividend  | -                   | -                          | -                 | -         |
| Transfer to Retained Earnings                                     | -                   | -                          | -                 | -         |
| Any Other Changes   | -                   | -                          | -                 | -         |
| Balance at the end of the current reporting period                | 1,67,070            | 10,975                     | 8,70,420          | 10,48,465 |

# SWADESHI POLYTEX LIMITED

**PREVIOUS REPORTING PERIOD (AS AT 31<sup>ST</sup> MARCH, 2023)**

**(Rs. in '000)**

| Particulars  | Reserve and Surplus |                            |                   |            |
|--|---------------------|----------------------------|-------------------|------------|
|  | General Reserve     | Capital Redemption Reserve | Retained Earnings | Total      |
| Balance at the beginning of the previous reporting period          | 1,67,070            | 10,975                     | (3,01,566)        | (1,23,521) |
| Changes in accounting policy or prior period errors                | -                   | -                          | -                 | -          |
| Restated balance at the beginning of the previous reporting period | -                   | -                          | -                 | -          |
| Total Comprehensive Income for the previous year                   | -                   | -                          | 3,48,470          | 3,48,470   |
| Dividend   | -                   | -                          | -                 | -          |
| Transfer to Retained Earnings                                      | -                   | -                          | -                 | -          |
| Any Other Changes  | -                   | -                          | -                 | -          |
| Balance at the end of the previous reporting period                | 1,67,070            | 10,975                     | 46,904            | 2,24,949   |

## Nature and Purpose of Reserves

### a) General Reserve

Under the erstwhile Companies Act, 1956, it was mandatory to transfer a requisite amount to a general reserve before a company can declare dividend. This mandatory requirement has been withdrawn under Companies Act, 2013. The amount previously transferred to the general reserve whether relating to declaration of dividend or otherwise can be utilized only in accordance with the specific requirements of Companies Act, 2013.

### b) Capital Redemption Reserve

As per provisions of Companies Act, 2013, capital redemption reserve is created when the company purchases its own shares out of free reserve or security premium or redeems its preference shares out of profits. A sum equal to the nominal value of shares so purchased or redeemed is transferred to Capital Redemption Reserve. The reserve is utilized in accordance with the provisions of Section 69 of Companies Act, 2013.

### c) Retained Earnings

This reserve represents undistributed accumulated earnings of the company as on the balance sheet date.

As per our Report of even date attached  
For SANMARK & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
**(S.K. Bansal)**  
Partner  
FRN : 003343N, M.No. : 082242

For and on behalf of the Board of Directors

Sd/-  
**(Hartaj Sewa Singh)**  
Director  
DIN : 00173286

Sd/-  
**(Gaurav Lodha)**  
Director  
DIN : 03414211

Place : Faridabad  
Date : 16 May, 2024  
UDIN: 24082242BKFOEO8609

Sd/-  
**(Ankit Garg)**  
Chief Financial Officer

Sd/  
**(Anuradha Sharma)**  
Company Secretary

Sd/-  
**(Bhuvan Chaturvedi)**  
Chief Executive Officer

# SWADESHI POLYTEX LIMITED

## NOTES TO IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2024

### 1 CORPORATE & GENERAL INFORMATION

Swadeshi polytex Limited is a listed company having CIN: L25209UP1970PLC003320 and engaged in carrying the business of transacting in, owning, purchasing, selling, leasing, sub-leasing, letting, sub-letting, renting and developing and other related activity of any type of real estate including land, plot, buildings, factories, warehouses, infrastructures whether residential, commercial, agricultural, industrial, rural, urban or otherwise that may belong to company or to any other person or persons of whatever nature and to deal in real estate, land, immovable properties and other related assets of any description or nature as owners, syndicators, developers, advisors, service providers, brokers, agents and any other capacity and to do all such activities related to such business having its registered office at KJ-77, Kavi Nagar, Ghaziabad -201002 (U.P). The Company's Equity Shares are listed on BSE Ltd (BSE).

The financial statements for the year ended 31st March, 2024 were approved for issue by the Board of Directors in their meeting held on 16th May, 2024.

### 2 BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

#### (a) Basis of Preparation

These financial statements are prepared on going concern basis under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction date. These financial statements comply with the provisions of the Companies Act, 2013 (the Act), guidelines issued by the Securities and Exchange Board of India (SEBI) and accounting principles generally accepted in India. All Assets and Liabilities have been classified and Current and Non-Current as per the Companies normal Operating Cycle. The Company has considered an operating cycle of 12 months based on the nature of business.

#### (b) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

#### (c) Functional and presentation currency

The financial statements are presented in Indian Rupees which is the Company's functional and presentation currency and all financial values are rounded to the nearest thousand, except when otherwise indicated.

### 3. Use of Estimates & Judgements

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, expenses and related disclosure concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The application of accounting policies that require critical accounting estimates involving complex judgements and the use of assumptions have been disclosed in Note no. 3.1. Accounting estimates may change from period to period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and revised if management became aware of changes in circumstances surrounding the estimates.



Revisions to accounting estimates are recognized in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

### **3.1 Critical Accounting Estimates and Judgments**

#### **(a) Revenue Recognition**

Revenue from customers contracts are considered for recognition and measurement when the contract has been approved in writing by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract and the contract is legally enforceable. The performance obligation of the Company in case of sale of leasehold rights in plots is satisfied on development of the related plots and control is transferred to the customers which happens on relinquishment of leasehold rights therein. The performance obligation of the customer is satisfied on making full payment for contracted price.

#### **(b) Income Taxes**

Significant judgements are involved in determining the provisions for income taxes.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences and tax losses can be utilized. Accordingly, the Management exercises its judgements to re-assess the carrying amount of deferred tax assets if any at the end of each reporting period.

#### **(c) Property, Plant and Equipment**

The company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This Re-assessment may result in change in depreciation expense in future periods. (Refer Note 4.1 (d))

#### **(d) Provisions and Contingent Liabilities**

The company estimates the provisions that have present obligation as a result of past events and it is probable that outflow of resources will be required to settle the obligation. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The company makes significant judgements to assess contingent liabilities. Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or the reliable estimates of the amount cannot be made. Contingent Assets are neither recognized nor disclosed in the financial statements.

## **4. MATERIAL ACCOUNTING POLICIES**

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### **4.1 Property, Plant & Equipment and Depreciation**

**(a)** The company has elected the option to continue the carrying value for all of its

property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the date of transition as per Ind AS 101. Property, plant and equipment are stated at original cost net of tax/duty credit availed, less accumulated depreciation and accumulated impairment losses, if any.

- (b) Depreciation on all items comprised in Property, Plant and Equipment is being provided on Straight Line Method.
- (c) Based on the technical experts assessment of useful life, certain items of property plant and equipment as detailed below are being depreciated over useful lives different from the useful lives specified under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

| Property, plant and equipment                             | Useful Life of Asset (In year) as adopted |
|---|---|
| Building  | 60  |
| <b>Plant &amp; Machinery</b>                              |   |
| a) water Purifier, Books, Oil Heaters and Water Dispenser | 5   |
| b) Other than (a) abpve                                   | 10  |
| Furniture & Fixtures                                      | 5   |
| Computer  | 3   |
| Computer Server   | 6   |

- (d) Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

## 4.2 Leases

The Company's lease assets consists of leasehold land only. 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 the identified assets (ii) the company has substantially all of the economic benefits from use of assets throughout the period of lease and (iii) the Company has the right to direct the use of assets.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets being leasehold land are initially recognized at cost in these financial statement, which comprises the one time payment made for acquiring the said land plus transfer and registration charges and any other initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right of use assets are depreciated/ amortised from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset

The lease liability, if any is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in

the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liability, if any, and ROU asset have been separately presented in the Balance Sheet and lease payments, if any, have been classified as financing cash flows.

#### **4.3 Intangible Assets and Amortization**

- (a) Software costs are included in the balance sheet as intangible assets when it is probable that expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. In this case they are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives. All other costs on it are expensed in the statement of profit and loss as and when incurred.
- (b) Based on the technical experts' assessment of useful life these are amortized over a period of six years. The amortization period & the amortization method for an Intangible Asset with a finite useful life are reviewed atleast at the end of each reporting period.

#### **4.4 Impairment of Assets**

- (a) Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of fair value less costs of disposal and its value-in-use) is determined on an individual asset basis. In such cases, the recoverable amount is determined for the Cash Generating units (CGU) to which the assets belongs . If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of asset.

The Company assesses at each balance sheet date whether a financial asset/assets (other than at fair value) is/are impaired. IND AS109 requires expected credit losses to be measured through a loss allowance. The Company has no trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

- (b) Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or have decreased.

#### **4.5 Revenue Recognition**

- (a) Revenue from transfer of rights in leasehold land is recognized when the company receives full payment from buyer and there is relinquishment of right in favour of the buyer by the company.
- (b) Interest on receivables is accounted only when no significant uncertainty as to measurability or collectability exists. Other interest income is recognized on the time basis determined by the amount outstanding and the rate applicable and where no significant uncertainty as to measurability or collectability exists. Interest on refund claims of Sales Tax, Excise Duty and Others is accounted for as and when determined by the Authorities concerned and the same is received by the Company.

## 4.6 Inventories

Valuation of stocks is done as mentioned below:

|                       |   |
|-----------------------|---|
| Leasehold Plot Rights | At the lower of Cost and net realizable value |
|-----------------------|---|

Cost of Leasehold Land is determined after including the directly attributable expenditure incurred on the development thereof. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated costs necessary to make sales.

## 4.7 Refunds of Taxes and Duties

Refund claims arising out of monies paid under protest or under appeals and charged to Revenue are accounted for at the time of receipt of orders or actual refunds whichever is earlier.

## 4.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contract such as foreign currency exchange forward contracts.

### A Financial Assets

#### (a) Initial recognition and measurement

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchase and sale of financial assets are accounted for at trade date.

#### (b) Subsequent Measurement : Non-derivative financial instruments

##### (i) Financial assets carried at amortized cost (AC)

A financial asset is subsequently measured at amortized 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.

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

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

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

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(c) Other Equity Investments**

All other equity investments are measured at fair value, with value changes recognized in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

**(d) Reclassification of financial assets**

"The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**B Financial liabilities****(a) Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings etc. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs, if any.

**(b) Subsequent Measurement : Non-derivative financial instruments**

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

**(c) Offsetting of Financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**C Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

### 4.9 Contract Liabilities

A contract liability is the obligation to transfer of goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

### 4.10 Cash Flow Statement

Cash flows are reported using indirect method as per Ind AS 7, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

### 4.11 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Operating Officer has decided that the company has only one segment i.e. real estate.

### 4.12 Fair Value Measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.

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

**5. Property, Plant and Equipment**

(Rs. in '000)

The changes in the carrying value of property, plant and equipment for the year ended 31<sup>st</sup> March, 2024 are as follows:

| Particulars  | Building  | Plant & Machinery | Furniture & Fixtures | Computer   | Total        |
|--|-----------|-------------------|----------------------|------------|--------------|
| Gross carrying value as at April 1, 2023             | 93        | 774               | 516                  | 755        | 2,138        |
| Additions  | -         | 19                | -                    | -          | 19           |
| Disposals  | -         | 493               | -                    | 85         | 578          |
| <b>Gross carrying value as at March 31, 2024</b>     | <b>93</b> | <b>300</b>        | <b>516</b>           | <b>670</b> | <b>1,579</b> |
| Accumulated depreciation as at April 1, 2023         | 22        | 611               | 398                  | 467        | 1,498        |
| Depreciation for the year                            | 2         | 42                | -                    | 95         | 139          |
| Accumulated depreciation on disposals                | -         | 461               | -                    | 80         | 541          |
| <b>Accumulated depreciation as at March 31, 2024</b> | <b>24</b> | <b>192</b>        | <b>398</b>           | <b>482</b> | <b>1,096</b> |
| <b>Net Carrying value as at March 31, 2024</b>       | <b>69</b> | <b>108</b>        | <b>118</b>           | <b>188</b> | <b>483</b>   |

The changes in the carrying value of property, plant and equipment for the year ended 31<sup>st</sup> March, 2023 were as follows:

| Particulars  | Building  | Plant & Machinery | Furniture & Fixtures | Computer   | Total        |
|--|-----------|-------------------|----------------------|------------|--------------|
| Gross carrying value as at April 1, 2022             | 93        | 766               | 516                  | 494        | 1,869        |
| Additions  | -         | 8                 | -                    | 261        | 269          |
| Disposals  | -         | -                 | -                    | -          | -            |
| <b>Gross carrying value as at March 31, 2023</b>     | <b>93</b> | <b>774</b>        | <b>516</b>           | <b>755</b> | <b>2,138</b> |
| Accumulated depreciation as at April 1, 2022         | 20        | 569               | 398                  | 406        | 1,393        |
| Depreciation for the year                            | 2         | 42                | -                    | 61         | 105          |
| Accumulated depreciation on disposals                | -         | -                 | -                    | -          | -            |
| <b>Accumulated depreciation as at March 31, 2023</b> | <b>22</b> | <b>611</b>        | <b>398</b>           | <b>467</b> | <b>1,498</b> |
| <b>Net Carrying value as at March 31, 2023</b>       | <b>71</b> | <b>163</b>        | <b>118</b>           | <b>288</b> | <b>640</b>   |

## SWADESHI POLYTEX LIMITED

### 6. Right of use Assets

(Rs. in '000)

The changes in the carrying value of Right of use Assets for the year ended 31st March, 2024 are as follows:

| Particulars                                      | Land*         | Total         |
|--|---------------|---------------|
| Gross carrying value as at April 1, 2023         | -             | -             |
| Additions  | 49,407        | 49,407        |
| Disposals  | -             | -             |
| <b>Gross carrying value as at March 31, 2024</b> | <b>49,407</b> | <b>49,407</b> |

| Particulars  | Land*         | Total         |
|--|---------------|---------------|
| Accumulated amortization as at April 1, 2023         | -             | -             |
| Amortization for the year                            | 343           | 343           |
| Accumulated amortization on disposals                | -             | -             |
| <b>Accumulated amortization as at March 31, 2024</b> | <b>343</b>    | <b>343</b>    |
| <b>Net Carrying value as at March 31, 2024</b>       | <b>49,064</b> | <b>49,064</b> |

The changes in the carrying value of Right of use Assets for the year ended 31st March, 2023 are as follows:

| Particulars  | Softwares | Total    |
|--|-----------|----------|
| Gross carrying value as at April 1, 2022             | -         | -        |
| Additions  | -         | -        |
| Disposals  | -         | -        |
| <b>Gross carrying value as at March 31, 2023</b>     | <b>-</b>  | <b>-</b> |
| Accumulated amortization as at April 1, 2022         | -         | -        |
| Amortization for the year                            | -         | -        |
| Accumulated amortization on disposals                | -         | -        |
| <b>Accumulated amortization as at March 31, 2023</b> | <b>-</b>  | <b>-</b> |
| <b>Net Carrying value as at March 31, 2023</b>       | <b>-</b>  | <b>-</b> |

Note: The title deeds of the immovable property are held in the name of the Company (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee).



**7. Intangible Assets**

(Rs. in '000)

The changes in the carrying value of Intangible Assets for the year ended 31<sup>st</sup> March, 2024 are as follows:

| Particulars  | Softwares  | Total      |
|--|------------|------------|
| Gross carrying value as at April 1, 2023             | 354        | 354        |
| Additions  | -          | -          |
| Disposals  | -          | -          |
| <b>Gross carrying value as at March 31, 2024</b>     | <b>354</b> | <b>354</b> |
| Accumulated amortization as at April 1, 2023         | 190        | 190        |
| Amortization for the year                            | 56         | 56         |
| Accumulated amortization on disposals                | -          | -          |
| <b>Accumulated amortization as at March 31, 2024</b> | <b>246</b> | <b>246</b> |
| <b>Net Carrying value as at March 31, 2024</b>       | <b>108</b> | <b>108</b> |

The changes in the carrying value of Intangible Assets for the year ended 31<sup>st</sup> March, 2023 were as follows:

| Particulars  | Softwares  | Total      |
|--|------------|------------|
| Gross carrying value as at April 1, 2022             | 354        | 354        |
| Additions  | -          | -          |
| Disposals  | -          | -          |
| <b>Gross carrying value as at March 31, 2023</b>     | <b>354</b> | <b>354</b> |
| Accumulated amortization as at April 1, 2022         | 134        | 134        |
| Amortization for the year                            | 56         | 56         |
| Accumulated amortization on disposals                | -          | -          |
| <b>Accumulated amortization as at March 31, 2023</b> | <b>190</b> | <b>190</b> |
| <b>Net Carrying value as at March 31, 2023</b>       | <b>164</b> | <b>164</b> |

**8. Loans (Non-Current)**

(Rs. in '000)

| Particulars                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b> |                         |                         |
| Loan to a Related Party*            | -                       | 3,768                   |
| <b>Total</b>                        | <b>-</b>                | <b>3,768</b>            |

\*Refer Note 39.3.1 for details of Loan.

## SWADESHI POLYTEX LIMITED

### 9. Other Financial Assets (Non-Current)

(Rs. in '000)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b>                      |                         |                         |
| Security deposit*  | 94                      | 20                      |
| Fixed Deposit with Bank (Maturity more than 12 months)** | 61,916                  | 1,18,005                |
| <b>Total</b>   | <b>62,010</b>           | <b>1,18,025</b>         |

\* Includes Rs. Six thousands (PY Six thousands) offered as security to Forest Department and Rs. 1159 thousand (PY NIL) offered as security deposit for guarantee issued by bank

### 10. Inventories (Valued at cost or net realisable value, whichever is lower)

(Rs. in '000)

| Particulars            | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|------------------------|-------------------------|-------------------------|
| Leasehold Plot Rights* | 6,417                   | 37,782                  |
| <b>Total</b>           | <b>6,417</b>            | <b>37,782</b>           |

\* Refer Note 4.6

### 11. Cash and Cash Equivalents

| Particulars                                       | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Balances with schedule banks:                     |                         |                         |
| In Current Accounts                               | 743                     | 148                     |
| In Deposits having Maturity of less than 3 Months | 1,01,503                | -                       |
| Cash on hand                                      | 38                      | 26                      |
| <b>Total</b>                                      | <b>1,02,284</b>         | <b>174</b>              |

### 12. Other Bank Balances

(Rs. in '000)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Deposit with Banks with original maturity of more than 3 months but less than 12 months* | 8,83,837                | 4,64,744                |
| <b>Total</b>   | <b>8,83,837</b>         | <b>4,64,744</b>         |

\* Includes Rs. 44,909 thousands (PY Rs. 42,480 thousands) offered as security to a Local Authority for performance obligations.

## SWADESHI POLYTEX LIMITED

### 13. Loans (Current) (Rs. in '000)

| Particulars                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b> |                         |                         |
| Loan to a Related Party*            | -                       | 435                     |
| <b>Total</b>                        | <b>-</b>                | <b>435</b>              |

\*Refer Note 39.3.1 for details of Loan.

### 14. Other financial assets-Current (at amortised cost) (Rs. in '000)

| Particulars                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b> |                         |                         |
| Interest accrued on deposits        | 8,064                   | 12,924                  |
| <b>Total</b>                        | <b>8,064</b>            | <b>12,924</b>           |

### 15. Current Tax Assets (net) (Rs. in '000)

| Particulars                                | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b>        |                         |                         |
| Income tax receivable (net of provisions)* | 9,605                   | 9,169                   |
| <b>Total</b>                               | <b>9,605</b>            | <b>9,169</b>            |

### 16. Other Current Assets (Rs. in '000)

| Particulars                         | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| <b>(Unsecured, Considered Good)</b> |                         |                         |
| Advance for CSR spending            | -                       | 3,111                   |
| <b>Other Advances</b>               |                         |                         |
| -Advance to Suppliers               | 384                     | -                       |
| Prepaid Expenses                    | 33                      | 44                      |
| Other Current Assets                | -                       | -                       |
| <b>Total</b>                        | <b>417</b>              | <b>3,155</b>            |

# SWADESHI POLYTEX LIMITED

## 17. Equity Share Capital

(Rs. in '000)

| Particulars  | As at 31 <sup>st</sup> March 2024 |          | As at 31 <sup>st</sup> March 2023 |          |
|--|-----------------------------------|----------|-----------------------------------|----------|
|  | Number                            | Amount   | Number                            | Amount   |
| <b>Authorized</b>  |                                   |          |                                   |          |
| Equity Share of Rs. 1/- (P.Y. Rs. 1/-) each                    | 22,50,00,000                      | 2,25,000 | 22,50,00,000                      | 2,25,000 |
| 9.5% Redeemable cumulative Preference Shares of Rs. 100/- each | 2,50,000                          | 25,000   | 2,50,000                          | 25,000   |
|  |                                   | 2,50,000 |                                   | 2,50,000 |
| <b>Issued, Subscribed &amp; Fully Paid up</b>                  |                                   |          |                                   |          |
| Equity Shares of Rs 1/- (P.Y. Rs. 1/-) each fully paid up      | 3,90,00,000                       | 39,000   | 3,90,00,000                       | 39,000   |
|  |                                   | 39,000   |                                   | 39,000   |

### 17.1 Reconciliation of share capital:

(Rs. in '000)

| Particulars   | As at 31 <sup>st</sup> March 2024 |        | As at 31 <sup>st</sup> March 2023 |        |
|---|-----------------------------------|--------|-----------------------------------|--------|
|   | Number                            | Amount | Number                            | Amount |
| Equity Shares at the beginning of the year                          | 39000000                          | 39,000 | 39000000                          | 39,000 |
| Add / (Less): Shares issued / (forfeited / buyback) during the year | -                                 | -      | -                                 | -      |
| Equity Shares at the end of the year                                | 39000000                          | 39,000 | 39000000                          | 39,000 |

### 17.2 The rights, preferences and restrictions attached to each class of shares:

The Company has issued only one class of equity shares having par face value of Rs 1/- per share. Each equity shareholder is eligible for one vote per fully paid share held. Any dividend, if proposed by the Board of Directors, is subject to the approval of shareholders. Dividend declared and paid would be in Indian rupees. In the event of liquidation of the Company, the holders of equity share 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 or in case of partly paid shares the paid-up amount.

### 17.3 Information regarding issue of shares in the last five years

During the last five years, the Company has neither issued any shares without payment being received in cash, nor issued any bonus shares and not undertaken any buy back of shares.

### 17.4 The detail of shareholders each holding more than 5% of the issued share capital:

| Name of the Shareholder           | As at 31 <sup>st</sup> March 2024 |              | As at 31 <sup>st</sup> March 2023 |              |
|-----------------------------------|-----------------------------------|--------------|-----------------------------------|--------------|
|                                   | No. of Shares held                | % of holding | No. of Shares held                | % of holding |
| National Textile Corporation Ltd. | 13110000                          | 33.62 %      | 13110000                          | 33.62 %      |
| MKJ Enterprises Ltd.              | 4875250                           | 12.50 %      | 4875250                           | 12.50 %      |
| Selecto Pac Private Ltd.          | 3432500                           | 8.80 %       | 3432500                           | 8.80 %       |
| Paharpur Cooling Towers Ltd.      | 5281530                           | 13.54 %      | 5281530                           | 13.54 %      |
| Doypack Systems Pvt Ltd.          | 2775000                           | 7.12 %       | 2775000                           | 7.12 %       |

**17.5 Disclosure of Shareholding of Promoters:**

**17.5.1 As at 31<sup>st</sup> March 2024**

| Equity Shares held by Promoters at the end of the year |  |                        |                                      |                   | %<br>Change during the Year |
|--|--|------------------------|--------------------------------------|-------------------|-----------------------------|
| Promoter Name  | No. of Shares at the beginning of the year | Change during the year | No. of Shares at the end of the year | % of Total Shares |                             |
| Late Mr. Mahendra Swarup*                              | 52500                                      | -                      | 52500                                | 0.13 %            | 0.00%                       |
| National Textile Corporation Ltd.                      | 13110000                                   | -                      | 13110000                             | 33.62 %           | 0.00%                       |
| Selecto Pac Private Ltd.                               | 3432500                                    | -                      | 3432500                              | 8.80 %            | 0.00%                       |
| Paharpur Cooling Towers Ltd.                           | 5281530                                    | -                      | 5281530                              | 13.54 %           | 0.00%                       |
| Doypack Systems Pvt Ltd.                               | 2775000                                    | -                      | 2775000                              | 7.12 %            | 0.00%                       |
| <b>Total</b>   | <b>24651530</b>                            | <b>-</b>               | <b>24651530</b>                      | <b>63.21 %</b>    | <b>0.00 %</b>               |

\*Pending for transfer in the name of legal heirs.

**17.5.2 As at 31<sup>st</sup> March 2023**

| Equity Shares held by Promoters at the end of the year |  |                        |                                      |                   | %<br>Change during the Year |
|--|--|------------------------|--------------------------------------|-------------------|-----------------------------|
| Promoter Name  | No. of Shares at the beginning of the year | Change during the year | No. of Shares at the end of the year | % of Total Shares |                             |
| Late Mr. Mahendra Swarup*                              | 52500                                      | -                      | 52500                                | 0.13 %            | 0.00%                       |
| National Textile Corporation Ltd.                      | 13110000                                   | -                      | 13110000                             | 33.62 %           | 0.00%                       |
| Selecto Pac Private Ltd.                               | 3432500                                    | -                      | 3432500                              | 8.80 %            | 0.00%                       |
| Paharpur Cooling Towers Ltd.                           | 5281530                                    | -                      | 5281530                              | 13.54 %           | 0.00%                       |
| Doypack Systems Pvt Ltd.                               | 2775000                                    | -                      | 2775000                              | 7.12 %            | 0.00%                       |
| <b>Total</b>   | <b>24651530</b>                            | <b>-</b>               | <b>24651530</b>                      | <b>63.21 %</b>    | <b>0.00 %</b>               |

\*Pending for transfer in the name of legal heirs.

**18. Other Equity**

**(Rs. in '000)**

| Particulars                                | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>General Reserve</b>                     |                         |                         |
| Opening Balance                            | 1,67,070                | 1,67,070                |
| (+) Additions during the year              | -                       | -                       |
| (-) Utilized / transferred during the year | -                       | -                       |
|  | <b>1,67,070</b>         | 1,67,070                |
| <b>Capital Redemption Reserve</b>          |                         |                         |
| Opening Balance                            | 10,975                  | 10,975                  |
| (+) Additions during the year              | -                       | -                       |
| (-) Utilized / transferred during the year | -                       | -                       |
|  | <b>10,975</b>           | 10,975                  |
| <b>Retained Earnings</b>                   |                         |                         |
| As per last Balance Sheet                  | 46,904                  | (3,01,566)              |
| Add: Profit / (Loss) for the year          | 8,23,516                | 3,48,470                |
|  | <b>8,70,420</b>         | 46,904                  |
|  | <b>10,48,465</b>        | 2,24,949                |

# SWADESHI POLYTEX LIMITED

## 19. Other financial liabilities-Non current

(Rs. in '000)

| Particulars                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------|-------------------------|-------------------------|
| Other Payable*                  |                         |                         |
| -Payable to Ex-Employees        | 683                     | 683                     |
| -Old Provident Fund Liabilities | 5,895                   | 5,895                   |
| -Old ESI Liabilities            | 15,064                  | 15,064                  |
| <b>Total</b>                    | <b>21,642</b>           | <b>21,642</b>           |

\*Refer Note No. 32.2

## 20. Income Tax and Deferred Tax

(Rs. in '000)

| Particulars                                  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Deferred Tax Assets due to</b>            |                         |                         |
| Carried forward losses                       | -                       | -                       |
|  | -                       | -                       |
| <b>Deferred Tax Liability due to</b>         |                         |                         |
| Property, Plant and Equipment                | 39                      | 57                      |
|  | 39                      | 57                      |
| <b>Deferred Tax Assets/(Liabilities) net</b> | <b>(39)</b>             | <b>(57)</b>             |

### 20.1 The movement on the deferred tax account is as follows:

(Rs. in '000)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| At the start of the year                                     | (57)                    | 10,082                  |
| Credit/(Charge) during the year                              | 18                      | (10,139)                |
| <b>Total Credit/(Charge) to Statement of Profit and Loss</b> | <b>18</b>               | <b>(10,139)</b>         |
| At the end of the year                                       | <b>(39)</b>             | <b>(57)</b>             |

### 20.2 Amount of Income Tax recognised in the Statement of Profit and Loss

(Rs. in '000)

| Particulars                                  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Current tax - Continued Operations</b>    |                         |                         |
| Current year                                 | 1,65,467                | 73,534                  |
| Deferred Tax                                 | (18)                    | 10,139                  |
| Earlier Years                                | 208                     | (12)                    |
|  | <b>1,65,657</b>         | <b>83,661</b>           |
| <b>Current tax - Discontinued Operations</b> |                         |                         |
| Current year                                 | (467)                   | (84)                    |
|  | <b>(467)</b>            | <b>(84)</b>             |
| <b>Total</b>                                 | <b>1,65,190</b>         | <b>83,577</b>           |

## SWADESHI POLYTEX LIMITED

### 20.3 Reconciliation of Tax expense in the accounting profit multiplied by domestic tax rates:

(Rs. in '000)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Accounting profit before tax from continuing operation   | 9,90,561                | 4,32,379                |
| Accounting profit before tax from discontinuing operation  | (1,855)                 | (332)                   |
| Accounting profit before Income tax  | 9,88,706                | 4,32,047                |
| Income Tax liability at domestic income tax rate of 25.168%  | 2,48,838                | 1,08,738                |
| <b>Adjustment of tax on following items to arrive at tax as per Statement of Profit &amp; Loss</b> |                         |                         |
| Depreciation not allowable as per Income Tax Act   | 102                     | 4                       |
| CSR Expenses not allowable as per Income Tax Act   | 1,284                   | 783                     |
| Items disallowed under Income Tax Act  | 4                       | -                       |
| Items allowed under Income Tax Act   | (15,902)                | (10,143)                |
| Impact of change under the head capital gains  | (69,402)                | (25,952)                |
| Others   | 76                      | 20                      |
| <b>Total Due at the effective income tax rate of 16.688% , PY 17%</b>                              | <b>1,65,000</b>         | <b>73,450</b>           |
| Income tax expense reported in statement of Profit & Loss from continuing operation                | 1,65,657                | 83,661                  |
| Income tax expense reported in statement of Profit & Loss from discontinuing operation             | (467)                   | (84)                    |
| Tax adjustment for earlier years   | (208)                   | 12                      |
| Deferred Tax   | 18                      | (10,139)                |
| <b>Total Tax Expenses</b>  | <b>1,65,000</b>         | <b>73,450</b>           |

### 21. Trade Payables

(Rs. in '000)

| Particulars  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Total Outstanding dues of micro and small enterprises            | 1,274                   | 1,373                   |
| Total Outstanding dues of other than micro and small enterprises | 7,588                   | 9,801                   |
| <b>Total</b>   | <b>8,862</b>            | <b>11,174</b>           |

## SWADESHI POLYTEX LIMITED

|        |   |   |                |                         |                  |                  |                      |
|--------|---|---|----------------|-------------------------|------------------|------------------|----------------------|
| 21.1   | <b>Ageing Schedule of Trade Payable is as below</b> |   |                |                         |                  |                  |                      |
| 21.1.1 | <b>As at 31<sup>st</sup> March, 2024</b>            |   |                |                         |                  |                  | <b>(Rs. in '000)</b> |
|        | <b>Particulars</b>                                  | <b>Outstanding for following periods from due date of Payment</b> |                |                         |                  |                  | <b>Total</b>         |
|        |   | <b>Unbilled</b>   | <b>Not Due</b> | <b>Less than 1 Year</b> | <b>1-2 Years</b> | <b>2-3 Years</b> |                      |
|        | Undisputed dues - MSME                              | 866   | 354            | 54                      | -                | -                | 1,274                |
|        | Undisputed dues - Others                            | -   | 5,369          | 2,219                   | -                | -                | 7,588                |
|        | Disputed dues - MSME                                | -   | -              | -                       | -                | -                | -                    |
|        | Disputed dues - Others                              | -   | -              | -                       | -                | -                | -                    |
| 21.1.2 | <b>As at 31<sup>st</sup> March, 2023</b>            |   |                |                         |                  |                  | <b>(Rs. in '000)</b> |
|        | <b>Particulars</b>                                  | <b>Outstanding for following periods from due date of Payment</b> |                |                         |                  |                  | <b>Total</b>         |
|        |   | <b>Unbilled</b>   | <b>Not Due</b> | <b>Less than 1 Year</b> | <b>1-2 Years</b> | <b>2-3 Years</b> |                      |
|        | Undisputed dues - MSME                              | -   | -              | 1,373                   | -                | -                | 1,373                |
|        | Undisputed dues - Others                            | -   | -              | 9,714                   | 6                | 81               | 9,801                |
|        | Disputed dues - MSME                                | -   | -              | -                       | -                | -                | -                    |
|        | Disputed dues - Others                              | -   | -              | -                       | -                | -                | -                    |

### 22. Other Financial Liabilities (Rs. in '000)

| <b>Particulars</b>      | <b>As at<br/>March 31, 2024</b> | <b>As at<br/>March 31, 2023</b> |
|-------------------------|---------------------------------|---------------------------------|
| Retention Money Payable | 10                              | 10                              |
| <b>Total</b>            | <b>10</b>                       | <b>10</b>                       |

### 23. Other Current liabilities (Rs. in '000)

| <b>Particulars</b>                                     | <b>As at<br/>March 31, 2024</b> | <b>As at<br/>March 31, 2023</b> |
|--|---------------------------------|---------------------------------|
| Contract Liabilities (Amount received from customers)* | 3,351                           | 3,50,641                        |
| Statutory Dues Payable                                 | 920                             | 396                             |
| <b>Total</b>   | <b>4,271</b>                    | <b>3,51,037</b>                 |

### 24. Provisions (Rs. in '000)

| <b>Particulars</b>             | <b>As at<br/>March 31, 2024</b> | <b>As at<br/>March 31, 2023</b> |
|--------------------------------|---------------------------------|---------------------------------|
| <b>Others</b>                  |                                 |                                 |
| Provision for CSR Expenditure* | -                               | 3,111                           |
| <b>Total</b>                   | <b>-</b>                        | <b>3,111</b>                    |



**24.1 \*Details of Provisions**
**(Rs. in '000)**

| Particulars                           | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year  | 3,111                   | 1,451                   |
| Addition during the year              | -                       | 3,111                   |
| Utilized during the year              | 3,111                   | 1,451                   |
| Reversed during the year              | -                       | -                       |
| <b>Balance at the end of the year</b> | <b>-</b>                | <b>3,111</b>            |

**25. Revenue from Operations**
**(Rs. in '000)**

| Particulars                                  | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| <b>Revenue from Contracts with Customers</b> |                         |                         |
| Revenue from sale of leasehold plot rights   | 9,92,566                | 4,43,356                |
| <b>Total</b>                                 | <b>9,92,566</b>         | <b>4,43,356</b>         |

**26. Other Income**
**(Rs. in '000)**

| Particulars     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-----------------|-------------------------|-------------------------|
| Interest Income | 66,706                  | 24,666                  |
|                 | <b>66,706</b>           | <b>24,666</b>           |

**27. Changes in inventories**
**(Rs. in '000)**

| Particulars                                 | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| <b>Opening Stock</b>                        |                         |                         |
| Leasehold Plot Rights                       | 37,782                  | 50,039                  |
|   | <b>37,782</b>           | <b>50,039</b>           |
| <b>Closing Stock</b>                        |                         |                         |
| Leasehold Plot Rights                       | 6,417                   | 37,782                  |
|   | <b>6,417</b>            | <b>37,782</b>           |
| <b>(Increase) / Decrease in inventories</b> | <b>31,365</b>           | <b>12,257</b>           |

**28. Depreciation and Amortisation Expenses**
**(Rs. in '000)**

| Particulars                                   | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------------------------|-------------------------|
| Depreciation of property, plant and equipment | 139                     | 105                     |
| Amortisation of Right of use Assets           | 343                     | -                       |
| Amortisation of intangible assets             | 56                      | 56                      |
|   | <b>538</b>              | <b>161</b>              |

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## 29. Other Expenses

(Rs. in '000)

| Particulars   | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Legal & Professional Expenses                                 | 12,573                       | 11,679                       |
| Conveyance & Travelling Expense                               | 4,137                        | 3,765                        |
| Corporate Social Responsibility Expenditure (Refer Note 38.1) | 5,103                        | 3,111                        |
| Fees to Stock Exchange  | 383                          | 354                          |
| Power & Fuel  | 381                          | 467                          |
| Repair Others   | 145                          | 138                          |
| Building Repairs  | 15                           | 18                           |
| Business Promotion  | 2,269                        | 322                          |
| Office Rent   | 455                          | -                            |
| Rates & Taxes   | 697                          | 353                          |
| Directors' Sitting Fees                                       | 730                          | 580                          |
| Payment To Auditors (Refer Note 29.1)                         | 1,028                        | 767                          |
| Communication Expenses  | 126                          | 114                          |
| Advertisement   | 50                           | 97                           |
| Printing & Stationary   | 96                           | 101                          |
| Other Expenses  | 2,573                        | 1,359                        |
|   | <b>30,761</b>                | <b>23,225</b>                |

## 29.1 Payment to Auditors

(Rs. in '000)

| Particulars                                 | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Statutory Audit Fee                         | 413                          | 413                          |
| Tax Audit                                   | 177                          | 177                          |
| Limited Review Fees                         | 177                          | 177                          |
| Taxation Matters                            | 236                          | -                            |
| Other- Expenses Reimbursed to Stat Auditors | 25                           | -                            |
|   | <b>1,028</b>                 | <b>767</b>                   |

## 30. Profit / (Loss) from discontinued operations

(Rs. in '000)

| Particulars  | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| <b>Income from discontinued Operations</b>         |                              |                              |
| Refund from Sales Tax / Custom and Excise          | -                            | -                            |
|  | -                            | -                            |
| <b>Expenses related to discontinued Operations</b> |                              |                              |
| Legal & Professional Fee Paid                      | 1,855                        | 332                          |
|  | <b>1,855</b>                 | <b>332</b>                   |
|  | <b>(1,855)</b>               | <b>(332)</b>                 |

**30.1 Cash flows from discontinued operations**

(Rs. in '000)

| Particulars   | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Net Cash inflow / (outflow) from Operating activities | (1,855)                      | (332)                        |
| Net Cash inflow / (outflow) from Investing activities | -                            | -                            |
| Net Cash inflow / (outflow) from Financing activities | -                            | -                            |
| Net Cash inflow from discontinued operations          | (1,855)                      | (332)                        |

**31. Earning per Share - Continued Business**

(Rs. in '000)

| Particulars  | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| Profit / (Loss) attributable to Equity Shareholders (In Rs. '000)        | 8,24,904                     | 3,48,718                     |
| Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares) | 3,90,00,000                  | 3,90,00,000                  |
| Earning per Shares - Basic & Diluted (In Rs.)                            | 21.15                        | 8.94                         |

**31.1 Earning per Share - Discontinued Business**

(Rs. in '000)

| Particulars  | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|--|------------------------------|------------------------------|
| Profit / (Loss) attributable to Equity Shareholders (In Rs. '000)        | (1,388)                      | (248)                        |
| Weighted average number of Equity Shares of Rs. 1/- Each (No. of Shares) | 3,90,00,000                  | 3,90,00,000                  |
| Earning per Shares - Basic & Diluted (In Rs.)                            | (0.04)                       | (0.01)                       |

**32. Discontinuing Operations**

In view of the Economic/Financial non-viability and on-going labor problems etc., the Company had discontinued its operations of manufacturing of Polyester Fibers and Chips in 1998. In earlier years the company had disposed off all assets related to discontinued business, however disputed financial liabilities are still pending as per details given below.

**32.1** The carrying amount of total assets and liabilities to be disposed off at the year end are as follows. Comparative information for the discontinuing operations is included in accordance with Ind AS-105, Discontinuing Operations:

| Particulars                                    | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------------------------|-------------------------|
| Total Assets                                   | -                       | -                       |
| Total Liabilities                              |                         |                         |
| <b>Other financial liabilities-Non current</b> |                         |                         |
| Other financial liabilities                    | 21,642                  | 21,642                  |
| <b>Net Assets / (Liabilities)</b>              | <b>(21,642)</b>         | <b>(21,642)</b>         |

**32.2** Other payable, Note 19, includes alleged dues being contested before the Honourable Jurisdictional High Court and other Authorities at Rs. 21642 Thousand (P.Y. Rs. 21642 Thousand). These dues pertain to erstwhile employees of the Company and the matter is subjudice. These will be paid when finally settle by the Honourable Court/ Authorities concerned. Hence it has not been fair valued.

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33. Based on information available with the Company the amounts due to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is as under:

(Rs. in '000)

| Particulars  | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|--|--------------------------|--------------------------|
| Principal amount due and remaining unpaid                                | 1274                     | 1373                     |
| Interest due on above and the unpaid interest                            | -                        | -                        |
| Interest Paid  | -                        | -                        |
| Payment made beyond the appointed day during the year                    | -                        | -                        |
| Interest due and payable for the period of delay                         | -                        | -                        |
| Interest accrued and remaining unpaid                                    | -                        | -                        |
| Amount of further interest remaining due and payable in succeeding years | -                        | -                        |

### 34. Contingent Liabilities & Commitments (To the extent not provided for)

Claims against the Company not acknowledged as debts including excise, Income Tax, Labour Disputes, Legal and other Disputes:

| Particulars  | Year Ended<br>31-03-2024 | Year Ended<br>31-03-2023 |
|--|--------------------------|--------------------------|
| (a) PF Cases pending at various forums                               | 5,895                    | 5,895                    |
| (b) Labor Matters relating settlement pending at various forums      | 4,742                    | 4,742                    |
| (c) Custom Matters   | 1,711                    | 1,711                    |
| (d) Excise Matters being refund claim and Interest thereon           | 32,360                   | 32,360                   |
| (e) Income Tax Matters   | 2,217                    | 2,217                    |
| (f) FEMA Matters   | 12,600                   | 12,600                   |
| (g) Legal cases against company u/s 138 of Negotiable Instrument Act | 9,246                    | 9,246                    |

#### Notes:

- a) Interest and penalty, if any, is not computable at this point of time hence not considered in the above statement of contingent liability.
  - b) The Company had received a notice from Commissioner of Customs (Export-1), Mumbai relating to submission of Export Obligation Discharge Certificate for fulfilment of export obligations during export obligation period prior to the year 2000. The Company has filed a writ petition against the said notice before Hon'ble High Court and the Management believes that no material liability will arise in this matter.
35. The Company had incurred expenses on developing the Plots as per the approved plan of Uttar Pradesh State Industrial Development Authority (UPSIDA) which had been allocated proportionately on the saleable area and unallocated portion has been charged to Pranjal Vyapar Private Limited as agreed.
36. During the year the Company has completely implemented the terms and conditions of the Development Agreement dated 22nd July, 2011 and related MOU alongwith Addendums and Clarificatory Addendums thereto related to relinquishment of lease rights in respect of its entire saleable inventory of Leasehold Land. Confirmation for the closure of Agreements and related documents is in process. Further, the management is in the process to start a new plant to carry out manufacturing activities.

**37 Corporate Social Responsibilities (CSR) :**

As per section 135 of the Companies Act, 2013, a CSR Committee has been formed to assist the Board of Directors to formulate the CSR Policy and review the implementation and progress of the same. The Company is required to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years in accordance with relevant provisions of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

**37.1 Details of CSR Activities:**

(Rs. in '000)

| Particulars  | Year Ended<br>March 31, 2024  | Year Ended<br>March 31, 2023   |
|--|---|--|
| Amount required to be spent by the company during the year   | 5,103   | 3,111  |
| Amount of expenditure incurred,  | 5,103   | -  |
| Shortfall at the end of the year,  | -   | 3,111  |
| Total of previous years shortfall,   | -   | -  |
| Reason for shortfall   | <b>NA</b>   | Contribution made to Delhi Sikh Gurudwara Management Committee and Army Wives Association for CSR were not utilized by them upto the balance sheet date. |
| Nature of CSR activities   | <b>Amount spent through Implementing Agencies on various activities viz. Education, Healthcare benefit of Armed Forces veterans, War widows and their Dependents.</b> | To deposit in funds specified in Schedule-VII of Companies Act, 2013   |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard                  | NIL   | NIL  |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately | NA  | Kindly refer Note 24.1   |

- 38.** In the opinion of the Board and to the best of their knowledge and belief the value on realization of all assets other than property, plant and equipment, intangible assets and non-current investments, in the ordinary course of business will not be less than the amount at which they are stated in Balance Sheet and that provision for all know liabilities has been made.

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## 39. Related Party Disclosure

### 39.1 List of Related Parties

#### Key Management Personnel of Reporting Entity:

| Name   | Designation             |
|--|-------------------------|
| Mr. Bhuwan Chaturvedi                                    | Chief Executive Officer |
| Mr. Ankit Garg   | Chief Financial Officer |
| Ms. Anuradha Sharma                                      | Company Secretary       |
| Mr. Sanjay Garg (up to 10-11-2023)                       | Director                |
| Mr. Hartaj Sewa Singh                                    | Director                |
| Mr. Gaurav Swarup  | Director                |
| Mr. Niranjan Kumar Gupta                                 | Director                |
| Mr. Naveen Aggarwal                                      | Director                |
| Mr. Shyam Sunder Madan                                   | Director                |
| Ms. Purni Gupta (up to 10-02-2024)                       | Director                |
| Advocate Arvind Kumar                                    | Relative of a director  |
| Mr. Pankaj Agarwal up to 10-11-2023                      | Director                |
| Mr. Kanjirakkattu Gopalan Manoj Kumar (up to 18-04-2023) | Director                |
| Mr. Palani Samy Kungumaraju (w.e.f 18-04-2023)           | Director                |
| Mr. Arun Kumar Singhania (up to 10-11-2023)              | Director                |
| Mr. Ashutosh Gupta                                       | Director                |
| Ms. Deepika Sharma up to 10-11-2023                      | Director                |

#### 39.1.1 Associates of Reporting Entity:

National Textile Corporation Ltd. (Holding more than 20% shareholding in the company)

Paharpur Cooling Towers Ltd. (Holding indirectly more than 20% shareholding in the co.)

39.2 Following transactions were carried out during the year ended March 31, 2024 with related parties in the ordinary course of business:

#### 39.2.1 Transactions with Key Management Personnel:

(Rs. in '000)

| Particulars                                 | Year Ended<br>March 31, 2024 | Year Ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| Remuneration paid to Ms. Anuradha Sharma    | 514                          | 365                          |
| Professional fee paid to Adv Arvind Kumar   | 356                          |                              |
| Remuneration paid to Mr. Ankit Garg         | 806                          | 616                          |
| Remuneration paid to Mr. Bhuwan Chaturvedi* | -                            | -                            |
| Interest charged from Mr. Bhuwan Chaturvedi | 177                          | 401                          |
| Sitting Fees paid to Mr. Naveen Aggarwal    | 235                          | 150                          |
| Sitting Fees paid to Mr. N.K. Gupta         | 205                          | 170                          |
| Sitting Fees paid to Mr. S.S. Madan         | 185                          | 140                          |
| Sitting Fees paid to Ms. Purni Marwaha      | 105                          | 120                          |

\* Considered Nil as being reimbursed to PCTL as deputation charges.

\*\* Reimbursement of Actual Expenditure has not been considered in the above statement.

**39.2.2 Transactions with Associates:**

**(Rs. in '000)**

| <b>Nature of Transactions</b>                         | <b>Year Ended<br/>March 31, 2024</b> | <b>Year Ended<br/>March 31, 2023</b> |
|---|--------------------------------------|--------------------------------------|
| <b>Transactions with Paharpur Cooling Towers Ltd.</b> |                                      |                                      |
| Reimbursement for various expenses                    | <b>5,312</b>                         | 5,312                                |

**39.3 Following were the balance outstanding at March 31, 2024 with related parties:**

**39.3.1 Balance outstanding from Key Management Personnel:**

**(Rs. in '000)**

| <b>Particulars</b>                         | <b>Year Ended<br/>March 31, 2024</b> | <b>Year Ended<br/>March 31, 2023</b> |
|--|--------------------------------------|--------------------------------------|
| <b>In respect of Mr. Bhuwan Chaturvedi</b> |                                      |                                      |
| Closing balance of loan given              |                                      |                                      |
| Non-Current                                | -                                    | 3,768                                |
| Current                                    | -                                    | 435                                  |
| <b>Total</b>                               | -                                    | 4,203                                |

According to revised terms vide resolution of NRC dated 09-02-2021 the loan is recoverable in Quarterly instalments commencing from March - 2022 carrying Interest @ 9% P.A.

**39.3.2 Balance outstanding with Associates:**

**(Rs. in '000)**

| <b>Particulars</b>                                     | <b>Year Ended<br/>March 31, 2024</b> | <b>Year Ended<br/>March 31, 2023</b> |
|--|--------------------------------------|--------------------------------------|
| <b>In respect of National Textile Corporation Ltd.</b> | -                                    | -                                    |
| <b>In respect of Paharpur Cooling Towers Ltd.</b>      |                                      |                                      |
| Retainership charges payable                           | <b>798</b>                           | 797                                  |

**40.** Disclosure under Ind AS 108 – ‘Operating Segments’ is not given as, in the opinion of the Chief Operating Decision Maker, the entire business activity falls under one segment, viz ,primarily engaged as real estates. The Company conducts its business only in one Geographical Segment, viz., India.

**41.** Previous year figures have been regrouped, rearranged or reclassified where ever necessary.

**42. Risk Management Framework**

The Company's business is subject to various risk and uncertainties including financial risks. The Company's documented risk management polices act as an effective tool in mitigating the various financial risks to which the business is exposed to in the course of their daily operations. The risk management policies cover areas such as liquidity risk, market risk, interest rate risk, and capital management. Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

**42.1 Financial Risk**

The Company's principal financial liabilities comprise of trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's

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principal financial assets include cash, cheques / draft in hand, fixed deposits, interest accrued on fixed deposits and loan advanced that derive directly from its operations.

The Company is exposed to primarily credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks.

### 42.2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company has received advance from customers "Other Current Liabilities-Note 23" amounting to Rs. 42.71 Lakh (P.Y. Rs. 3510.37 Lakh) which is payable to them. The company does not foresee any liquidity problem in this regard.

The below table summarized the maturity profiles of the Companies financial liabilities based on the contractual undiscounted payments:

### 42.3 Maturity profile of financial liabilities

The table below summarizes the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

| Particular                  | Less than 1 Year | 1 to 5 Years | More than 5 years | Total  |
|-----------------------------|------------------|--------------|-------------------|--------|
| <b>March 31, 2024</b>       |                  |              |                   |        |
| Trade payables              | 2,273            | -            | -                 | 2,273  |
| Other financial liabilities | 10               | -            | 21,642            | 21,652 |
|                             | 2,283            | -            | 21,642            | 23,925 |
| <b>March 31, 2023</b>       |                  |              |                   | -      |
| Trade payables              | 11,087           | 87           | -                 | 11,174 |
| Other financial liabilities | 10               | -            | 21,642            | 21,652 |
|                             | 11,097           | 87           | 21,642            | 32,826 |

### 42.4 Market Risk

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 exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables, and loans and borrowings.

Company has no international operations, neither having any investments nor any derivatives. However it manages market risk through the corporate finance department, which evaluates and exercises independent control over the entire process of market risk management. The corporate finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.



**42.5 Foreign Exchange Risk**

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company has no exposure to foreign exchange risk as there are no international operations.

**42.6 Equity Price Risk**

The Company doesn't have any Investment in equity. Therefore, the Company is not exposed to equity price risk arising from Equity Investments.

**42.7 Credit risk**

Credit Risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. Trade Receivables are impaired using the Life time Expected Credit Losses (ECL) Model. The company uses a provision matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates.

Financial Assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments in normal course of business. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

During the year Company is not having any Trade Receivables however it has a contractual arrangement with a customer against which it receives the advances for future commitments. Company has a periodic system of reviewing the performance of contractual obligations which addresses the risk of non performance.

**42.8 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, if any, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity.

| 42.8.1 | Particular                | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------|---------------------------|-------------------------|-------------------------|
|        | Short term Borrowings     | -                       | -                       |
|        | <b>Net debts (A)</b>      | -                       | -                       |
|        | <b>Capital components</b> |                         |                         |

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| 42.8.1 | Particular                     | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--------|--------------------------------|-------------------------|-------------------------|
|        | Share capital                  | 39,000                  | 39,000                  |
|        | Reserves and surplus           | 10,48,465               | 2,24,949                |
|        | <b>Total Equity (B)</b>        | <b>10,87,465</b>        | <b>2,63,949</b>         |
|        | <b>Gearing ratio (A/B) (%)</b> | <b>0%</b>               | <b>0%</b>               |

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 lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the period when they availed facilities from bank and others.

### 43. Fair value measurement

#### 43.1 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained in Note below

#### 43.2 Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price 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).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined. Similarly, unquoted equity instruments, if any, where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

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.

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### 43.3 Categories of financial instruments and fair value thereof:

(Rs. in '000)

| Particulars   | March 31, 2024   |                  | March 31, 2023  |                 |
|---|------------------|------------------|-----------------|-----------------|
|   | Carrying Amount  | Fair Value       | Carrying Amount | Fair Value      |
| <b>A. Financial Assets - Measured at Amortized Cost</b>     |                  |                  |                 |                 |
| Cash and cash equivalents                                   | 1,02,284         | 1,02,284         | 174             | 174             |
| Other bank balances   | 8,83,837         | 8,83,837         | 4,64,744        | 4,64,744        |
| Loans   | -                | -                | 4,203           | 4,203           |
| Other Financial assets                                      | 8,064            | 8,064            | 12,924          | 12,924          |
| Other Non Current Assets                                    | 62,010           | 62,010           | 1,18,025        | 1,18,025        |
| <b>Total</b>  | <b>10,56,195</b> | <b>10,56,195</b> | <b>6,00,070</b> | <b>6,00,070</b> |
| <b>B. Financial Liabilities- Measured at Amortized Cost</b> |                  |                  |                 |                 |
| Trade Payables  | 8,862            | 8,862            | 11,174          | 11,174          |
| Other financial liabilities *                               | 21,652           | 21,652           | 21,652          | 21,652          |
| <b>Total</b>  | <b>30,514</b>    | <b>30,514</b>    | <b>32,826</b>   | <b>32,826</b>   |

The management assessed that cash and cash equivalents and bank balances, other financial assets, trade payables, and other current liabilities are considered to be equal to the carrying amounts of these items largely due to the short-term maturities of these instruments. Difference between carrying amount and fair value of bank deposits, other financial assets, other financial liabilities and borrowings subsequently measured at amortized cost is not significant in each of the year presented.

### 43.4 The disclosures of fair value measurement hierarchy for financial assets and liabilities as at 31st March, 2024.

(Rs. in '000)

| Particulars   | Total<br>(Carrying Value) | Fair value measurement using          |                                     |                                       |
|---|---------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|   |                           | Quoted prices<br>in active<br>markets | Significant<br>observable<br>inputs | Significant<br>unobservable<br>inputs |
|   |                           | (Level 1)                             | (Level 2)                           | (Level 3)                             |
| <b>A. Financial Assets - Measured at Amortized Cost</b> |                           |                                       |                                     |                                       |
| Cash and cash equivalents                               | 1,02,284                  | -                                     | 1,02,284                            | -                                     |
| Other bank balances                                     | 8,83,837                  | -                                     | 8,83,837                            | -                                     |
| Loans   | -                         | -                                     | -                                   | -                                     |
| Other Current Financial assets                          | 8,064                     | -                                     | -                                   | 8,064                                 |
| Other Financial Assets - Non Current                    | 62,010                    | -                                     | 62,010                              | -                                     |
| <b>Total</b>  | <b>10,56,195</b>          | <b>-</b>                              | <b>10,48,131</b>                    | <b>8,064</b>                          |

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| Particulars   | Total<br>(Carrying<br>Value) | Fair value measurement using          |                                     |                                       |
|---|------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|   |                              | Quoted prices<br>in active<br>markets | Significant<br>observable<br>inputs | Significant<br>unobservable<br>inputs |
|   |                              | (Level 1)                             | (Level 2)                           | (Level 3)                             |
| <b>B. Financial Liabilities-<br/>Measured at Amortized Cost</b> |                              |                                       |                                     |                                       |
| Trade Payables  | 8,862                        | -                                     | -                                   | 8,862                                 |
| Other financial liabilities                                     | 21,652                       | -                                     | -                                   | 21,652                                |
| <b>Total</b>  | <b>30,514</b>                | <b>-</b>                              | <b>-</b>                            | <b>30,514</b>                         |

43.5 The disclosures of fair value measurement hierarchy for assets and liabilities as at 31st March, 2023.

(Rs. in '000)

| Particulars   | Total<br>(Carrying<br>Value) | Fair value measurement using          |                                     |                                       |
|---|------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|   |                              | Quoted prices<br>in active<br>markets | Significant<br>observable<br>inputs | Significant<br>unobservable<br>inputs |
|   |                              | (Level 1)                             | (Level 2)                           | (Level 3)                             |
| <b>A. Financial Assets -Measured<br/>at Amortized Cost</b>      |                              |                                       |                                     |                                       |
| Cash and cash equivalents                                       | 174                          | -                                     | 174                                 | -                                     |
| Other bank balances   | 4,64,744                     | -                                     | 4,64,744                            | -                                     |
| Loans   | 4,203                        | -                                     | -                                   | 4,203                                 |
| Other Current Financial assets                                  | 12,924                       | -                                     | -                                   | 12,924                                |
| Other Financial Assets-Non<br>Current                           | 1,18,025                     | -                                     | 1,18,025                            | -                                     |
| <b>Total</b>  | <b>6,00,070</b>              | <b>-</b>                              | <b>5,82,943</b>                     | <b>17,127</b>                         |
| <b>B. Financial Liabilities-<br/>Measured at Amortized Cost</b> |                              |                                       |                                     |                                       |
| Trade Payables  | 11,174                       | -                                     | -                                   | 11,174                                |
| Other financial liabilities                                     | 21,652                       | -                                     | -                                   | 21,652                                |
| <b>Borrowings</b>   | <b>32,826</b>                | <b>-</b>                              | <b>-</b>                            | <b>32,826</b>                         |

#### 44. Additional Regulatory Information (to the extent applicable)

44.1 The title deeds of the immovable property are held in the name of the Company (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee). In respect of Right of use Assets (being leasehold land) registration of the same in the name of the Company is pending.

44.2 There is no revaluation of any of the items of Property, Plant & Equipments & Right to use assets during the year.

**44.3** The Company does not hold any benami property and accordingly no proceeding has been initiated or pending against it for holding any benami property.

**44.4** As per information available with the Company, it had no dealings with any company struck off u/s 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**44.5** Other than loan given in the normal and ordinary course of business, the Company has not advanced or loaned or invested funds (either from borrowed funds or any other sources or kind of funds) to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, (whether recorded in writing or otherwise), that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**44.6** The Company has not received any funds from any persons or entities, including foreign entities (“Funding Party”), with the understanding (whether recorded in writing or otherwise) that the Company shall 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.

**44.7** The Company has not dealt in or invested in any crypto currency or virtual currency.

**44.8** The Company does not have any transaction which is not recorded in the Books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act (such as search or survey or any other relevant provisions of the Income Tax Act, 1961. Further, there were no previously unrecorded income and related assets.

**45. Financial Ratios as per latest amendment to Schedule III to the Companies Act, 2013 are as below:**

| Ratio                               | Numerator  | Denominator          | Current Period | Previous Period | % Variance | Reasons for Variance / REMARKS   |
|-------------------------------------|--|----------------------|----------------|-----------------|------------|--|
| Current Ratio (in times)            | Current Assets                                       | Current Liabilities  | 76.89          | 1.45            | 5202.76%   | Cash flow on account of increased sales in the current year and reduction in liabilities due to sale proceeds. |
| Debt-Equity Ratio (in times)        | Total Debts  | Share holders Equity | -              | -               | -          | Not Applicable since no Debt in current year and preceding year.   |
| Debt-Service Coverage Ratio         | Earning available for Debt Service                   | Debt Service         | -              | -               | -          | No debts service in the current year and preceding year.   |
| Return on Equity                    | Net Profit after tax (-) Preference Dividend, if any | Average Net Worth    | 121.87%        | 388.42%         | -68.62%    | Due to increase in average net worth.  |
| Inventory Turnover Ratio (in times) | Sales  | Average Inventory    | 44.91          | 10.10           | 344.69%    | Increased sales in current year as compared to preceding year  |

# SWADESHI POLYTEX LIMITED

| Ratio                           | Numerator                              | Denominator   | Current Period | Previous Period | % Variance | Reasons for Variance / REMARKS   |
|---------------------------------|--|---|----------------|-----------------|------------|--|
| Trade Receivable Turnover Ratio | Net Credit Sale                        | Average Accounts receivable   | -              | -               | -          | Not applicable since the Company has no trade receivable.  |
| Trade Payable Turnover Ratio    | Net Credit Purchase                    | Average Trade Payable   | -              | -               | -          | Not applicable since the Company had not purchased any inventory items in the current year as well as preceding year.  |
| Net Capital Turnover Ratio      | Net Sales                              | Working Capital [Current Assets - Current Liabilities]                      | 0.995          | 2.72            | -63.42%    | Due to increase in sales and working capital during the year.  |
| Net Profit Ratio (in %)         | Net Profit after Tax                   | Net Sales   | 82.97%         | 78.60%          | 5.56%      | -  |
| Return on Capital Employed      | Earning before Interest and Tax (EBIT) | Capital Employed [Tangible Net Worth + Total Debt + Deferred tax Liability] | 0.91           | 1.64            | -44.51%    | Due to increase in capital employed during the current year as compared to earlier year. Capital employed in earlier year was net of old accumulated losses. |
| Return on Investment            | Interest Income                        | Cost of Investment  |                |                 |            |  |
| a. For Loans                    |  |   | 9.00%          | 9.11%           | -1.21%     |  |
| b. For Bank FD                  |  |   | 7.40%          | 5.79%           | 27.81%     | Due to increase in interest rates of the bank.   |

As per our Report of even date attached  
For SANMARK & ASSOCIATES  
CHARTERED ACCOUNTANTS

Sd/-  
**(S.K. Bansal)**  
Partner  
FRN : 003343N, M.No. : 082242

For and on behalf of the Board of Directors

Sd/-  
**(Hartaj Sewa Singh)**  
Director  
DIN : 00173286

Sd/-  
**(Gaurav Lodha)**  
Director  
DIN : 03414211

Place : Faridabad  
Date : 16 May, 2024  
UDIN: 24082242BKFOEO8609

Sd/-  
**(Ankit Garg)**  
Chief Financial Officer

Sd/  
**(Anuradha Sharma)**  
Company Secretary

Sd/-  
**(Bhuwan Chaturvedi)**  
Chief Executive Officer



*if undelivered, please return to:*  
**SWADESHI POLYTEX LIMITED**  
**CIN:** L25209UP1970PLC003320  
**Regd. Office :** KJ-77, J- Block,  
Kavi Nagar, Ghaziabad - 201002 (UP)