

A large, semi-transparent circular graphic is positioned in the lower-left quadrant of the page. It contains a collage of images: a man in a dark blue suit and tie standing outdoors; several rolls of textured grey fabric; and a stack of colorful thread spools in red, purple, green, yellow, and white.

**46<sup>th</sup>**  
**Annual Report**  
**2021-22**



## ANNUAL REPORT 2021-22

### COMPANY INFORMATION

#### BOARD OF DIRECTORS

Shri Rakesh Mehra  
Shri Ravindra Kumar Toshniwal  
Shri Shaleen Toshniwal  
Shri Praduman V. Kumar  
Shri Devendra Pal Garg  
Dr. Shri Bhagwan Agarwal  
Shri Vijay Kumar Agarwal  
Shri Kamal Kishore Kacholia  
Shri Vijay Mehta  
Dr. Vaijayanti Ajit Pandit  
Shri Jagdeesh Mal Mehta  
Shri Mr. David Vlerick

Chairman  
Managing Director  
Joint Managing Director  
Independent Director

#### EXECUTIVES

Shri J. K. Rathi, President  
Shri Shailendra Kumar Pandey, Joint President (w.e.f. 10-11-2021)  
Smt. Kavita Soni, Sr. Vice President (CSR)  
Shri Prashant Joshi, Sr. Vice President (Fabrics)  
Shri Rahul Bhaduria, Sr. Vice President (Garments)  
Shri Pawan Mangal, Sr. Vice President (Spinning)  
Shri S.K. Bhomoya, Sr. Vice President

#### CHIEF FINANCIAL OFFICER

Shri J. K. Jain, Joint President & CFO (upto 10-11-2021)  
Shri Pankaj Gharat (w.e.f. 03-05-2022)

#### COMPANY SECRETARY & COMPLIANCE OFFICER

Shri H.P. Kharwal

#### STATUTORY AUDITORS

K.G. Soman & Co. LLP  
3/15, Asaf Ali Road, NEW DELHI - 110002

#### BANKERS

Punjab National Bank  
Union Bank of India  
Bank of Baroda  
Bank of India  
State Bank of India  
HDFC Bank

#### REGISTRAR & SHARE TRANSFER AGENT

M/s. Computech Sharecap Ltd.  
147, Mahatma Gandhi Road, Fort, Opp. Jahangir Art Gallery,  
MUMBAI-400 001.  
Email: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)  
Website: [www.computechsharecap.in](http://www.computechsharecap.in)  
Phone No. (022)-22635000, 22635001  
Fax: (022)-22635005

#### OFFICES

##### REGISTERED OFFICE

Industrial Area, Dahod Road, Post Box No. 21  
BANSWARA-327001 (Rajasthan)  
CIN: L24302RJ1976PLC001684  
Email: [hpkharwal@banswarasyntex.com](mailto:hpkharwal@banswarasyntex.com)  
Website: [www.banswarasyntex.com](http://www.banswarasyntex.com)  
Phone No. (02962) 257676, 257679-681  
Fax No. (02962) 240692

##### HEAD/ MARKETING OFFICE

4th/5th Floor, Gopal Bhawan  
199, Princess Street  
MUMBAI-400 002

##### DELHI OFFICE

401, 4<sup>th</sup> Floor, 2E/23, Opp. Bank of India,  
Jhandewalan Ext.,  
NEW DELHI - 110055

##### JAIPUR OFFICE

Ankur Apartments, S-6, Jyoti Nagar Extension,  
JAIPUR-302 005 (Rajasthan)

#### PLANTS

##### Banswara Unit

(Spinning, Weaving & Finishing),  
Industrial Area, Dahod Road  
BANSWARA -327001 (Rajasthan)

##### Daman Unit (Garment)

1. 98/3, Village Kadaiya Nani Daman  
DAMAN -396 210 (U.T)
2. Survey No. 713/1, 713/2, 713/3, 725/2 &  
725/1, Village Dabhel, Nani Daman,  
DAMAN -396 210 (U.T)

##### Surat Unit (Garment)

Plot No. 5-6, G.I.D.C., Apparel Park, SEZ Sachin  
SURAT - 394 230 (GUJRAT)



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### QUALITY POLICY

We, Banswara Syntex Limited wish to be world class in the manufacture of Yarns, Fabrics and Garments. Our endeavour is to anticipate & exceed Customers / Interested parties satisfaction by understanding their need and expectation and thus, ensuring quality and timely delivery by:-

- \* Being in close contact with the Customers/ Interested parties and getting their feedback.
- \* Continuous innovation in Product Development.
- \* Continual improvement in QMS and Quality through HRD, Up-gradation of Plant & Machinery and improvement in methods of work.
- \* Complying with statutory and regulatory requirement
- \* Participation of Management and Employees as one team.

## NOTICE OF 46<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that 46<sup>th</sup> Annual General Meeting (AGM) of the Members of Banswara Syntex Ltd. (the Company) will be held on Saturday, the 30<sup>th</sup> day of July, 2022 at 4.30 P.M.(IST) at its Registered Office at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors and Auditors thereon and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and Auditors' report thereon.
2. To declare final dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2022.
3. To appoint a Director in place of Shri Rakesh Mehra, Whole time Director (DIN: 00467321), who retires by rotation and, being eligible, offers himself for re-appointment.
4. **To re-appoint K.G. Soman & Co. LLP, New Delhi, as Statutory Auditors of the Company**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014 as amended from time to time and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force)], and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, K.G. Soman & Co., LLP, Chartered Accountants (Firm Registration No. 006591 N/N 500377), be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five (5) consecutive years, from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the 51<sup>st</sup> AGM of the Company to be held in the year 2027, to examine and audit the accounts of the Company, at such remuneration plus applicable taxes and out of pocket expenses, as may be mutually

agreed between the Board of Directors of the Company and the Statutory Auditors from time to time;

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

### SPECIAL BUSINESS

5. **To ratify the Remuneration to the Cost Auditors for the Financial Year 2022-23**

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 [(including any statutory modification(s) or re-enactment(s) thereof, for the time being in force)], the payment of the remuneration of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand only) plus applicable taxes and out of pocket expenses to M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No. 000017) who were appointed by the Board of Directors of the Company, as the Cost Auditors to conduct the audit of the cost records maintained by the Company for financial year ending on 31<sup>st</sup> March, 2023, be and is hereby ratified;

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

6. **To approve Sub-division/ Split of 1 (One) Equity Share of the Company having face value of ₹ 10/- each fully paid up into 2 (Two) Equity Shares of ₹ 5/- each and consequent alteration of capital clause of Memorandum of Association of the Company**

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 61(1)(d) and 64 and all other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder read with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [(including any statutory modification(s) or re-enactment thereof, for the time

being in force)] and pursuant to the provisions of the Memorandum and Articles of Association of the Company and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the appropriate statutory and regulatory authority(ies), the consent of Members of the Company be and is hereby accorded for sub-division/ Split of existing equity shares of the Company having a face value of ₹ 10/- (Rupees Ten only) each fully paid up into 2 (Two) equity shares having a face value of ₹ 5/- (Rupees Five Only) each fully paid up;

**RESOLVED FURTHER THAT** pursuant to the sub-division/ split of equity shares of the Company with effect from the record date, each equity share of the Company having a face value of ₹ 10/- (Rupees Ten Only) in the Authorized, issued, subscribed and paid up equity share capital shall stand sub-divided into 2 (Two) equity shares of a face value of ₹ 5/- each (Rupees Five Only);

**RESOLVED FURTHER THAT** upon the sub-division/ split of the equity shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares having face value of ₹ 10/- each shall be deemed to have been automatically cancelled and to be of no effect on and from the record date and the Company may without requiring the surrender of the existing share certificate(s) directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing issued share certificate(s) and in case of the equity shares held in dematerialized form, the number of sub-divided equity shares be credited to their respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the equity shares of the Company before sub-division/split;

**RESOLVED FURTHER THAT** pursuant to the Section 13, Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules framed thereunder), [(including any statutory modification(s) or re-enactment thereof, for the time being in force)], subject to such other approval(s)/ consent(s) as may be required from the concerned Statutory/Regulatory Authority(ies), the consent of the Members of the Company be and is hereby accorded for alteration of the existing Clause V of the Memorandum of Association of the Company relating to the Share Capital by substituting with the following clause:

V. 'The Authorised Share Capital of the Company is ₹ 68,85,00,000/- (Rupees Sixty Eight Crore and Eighty

Five Lakhs Only) divided into 12,17,00,000 (Twelve Crore Seventeen Lakhs Only) Equity Shares of ₹ 5/- (Rupees Five Only) each and 500,000 (Five Lakhs) Redeemable Preference Shares of ₹ 100/- (Rupees One Hundred Only) each and 300,000 (Three Lakhs) Redeemable Cumulative Preference Shares of ₹ 100/- (Rupees One Hundred Only) each with the power to increase or reduce its capital for the time being and to consolidate, divide or sub-divide and re-classify the shares in such capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as to dividend, voting or otherwise and to vary, modify or abrogate any such rights, privileges or conditions in accordance with the provisions of the Act and Articles of Association of the Company and issue shares of higher or lower denominations;

**RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby severally authorized to accept and make any alteration(s), modification(s) to the terms and conditions as they may deem necessary, concerning any aspect of the subdivision/split of equity shares, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation or consequential to the Sub-division of shares including execution and filing of all the relevant documents with the Stock Exchange(s), Ministry of Corporate Affairs, Reserve Bank of India and other appropriate authorities, in due compliance of the applicable rules and regulations, without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**By order of the Board of Directors**

Sd/-

**H.P. Kharwal**

Company Secretary  
ACS 28614

**Registered Office**

Industrial Area, Dahod Road,  
Post Box No. 21,  
Banswara-327001  
Rajasthan

**NOTES:**

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (the Act) relating to the Special Business to be transacted at the ensuing Annual General Meeting ( the Meeting / AGM) is appended hereto. The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM (IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. Corporate Members intending to send their authorized representatives to attend the Meeting, pursuant to Section 113 of the Act are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. The copy of the said Resolution/Authorization shall be sent to the Scrutinizer/RTA by email through its registered email address at [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
4. The Members/Proxy holders are requested to bring their duly filled Attendance Slip along with their copy of the Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the Meeting, if not already voted through remote e-voting.
6. A Route Map showing the directions to reach the venue of the AGM is given at the end of this Notice as per the requirement of the Secretarial Standards-2 on General Meeting.
7. 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 the Directors are interested maintained under Section 189 of the Act and the relevant documents refer to in the Notice of AGM, will be available for inspection by the Members at AGM.

8. With respect to the payment of dividend, the Company provides the facility of remittance of dividend amount electronically through National Automated Clearing House (NACH) to all Shareholders holding shares in demat and physical form. Shareholders holding shares in physical form who wish to avail NACH facility, may submit their bank details viz., Name of the Bank and Branch, their A/c type and Core Banking A/c No. with 9 digit MICR and 11 digit IFSC code along with the copy of cancelled cheque in the prescribed form, which can be obtained from the Company's Registrar & Share Transfer Agent (RTA), Computech Sharecap Limited, (RTA) at 147, Mahatma Gandhi Road, Fort, Mumbai – 400001, Maharashtra. Requests for payment of dividend through NACH for the year 2021-22 should be lodged with RTA on or before the book closure date.

**9. Green Initiative**

The Ministry of Corporate Affairs and the SEBI have encouraged paperless communication as a contribution to greener environment. In order to support the "Green initiative", Members holding shares in physical mode are requested to register their e-mail IDs with Company's RTA and Members holding shares in Demat mode are requested to register their e-mail IDs with their Depository Participant. Members are entitled to receive communication in physical form, free of cost, upon making a request for the same.

An electronic copy of the Annual Report 2021-22 along with the Notice are being sent to all those Members whose e-mail addresses are registered with the Company/Depository Participant(s). Members are requested to print the Attendance Slips and submit a duly filled in Attendance Slip at the Registration Counter at the Meeting. For Members who have not registered their e-mail addresses, physical copies of the Annual Report 2021-22 are being sent by the permitted modes. Members may also note that the Notice of the AGM, Attendance Slip and the Annual Report are available on the Company's website [www.banswarasyntex.com](http://www.banswarasyntex.com).

## 10. Book Closure and Dividend

**The Register of Members and Shares Transfer Books of the Company shall remain closed from Sunday, the 24<sup>th</sup> July, 2022 to Saturday, the 30<sup>th</sup> July, 2022 (both days inclusive)** for the purposes of the AGM and determining the eligibility of the Members entitled to dividend, subject to the approval of the Members at the AGM.

Payment of Dividend, if declared at the Meeting, will be paid to the Members, whose names appear on the Register of Members of the Company as on 23<sup>rd</sup> July, 2022. In respect of the shares held in dematerialized form, the Dividend will be paid to Members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners at the close of business hours on 23<sup>rd</sup> July, 2022.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('IT Act'). For the prescribed rates for various categories, the Members are requested to refer to the Finance Act, 2020 and amendments thereof. The Members are requested to update their PAN with the Company's RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

### Unclaimed Dividends

#### (a) Transfer to the Investor Education and Protection Fund

Members are hereby informed that the Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years from the date on which dividend has become due for payment to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, during the year, unclaimed dividends amounting ₹ 7,56,524/- pertaining to the financial year 2013-14 has been transferred to IEPF. Members are requested to

note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/ unpaid for a period of seven years from the dates they became first due for payment. Any Member, who has not claimed the dividend in respect of the financial year 2014-15 to 2020-21 is requested to approach the Company/ RTA of the Company for claiming the same as early as possible.

#### (b) Details of Unclaimed Dividends on Website

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year 2014-15 and subsequent years on the website of Investor Education and Protection Fund, [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Relations" section on the website of the Company at [www.banswarasyntex.com](http://www.banswarasyntex.com).

#### (c) Transfer of "Underlying Share" into IEPF

In terms of Section 124(6) of the Act read with EPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Suspense Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also sent individual communication to the concerned Members whose shares are liable to be transferred to IEPF Suspense Account, pursuant to the said Rules. The Company has also uploaded full details of such shares due for transfer as well as unclaimed dividends under "Investor Relations" section on the website of the Company at [www.banswarasyntex.com](http://www.banswarasyntex.com).

## 11. Nomination Facility

As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No.

SH-14. Members holding shares in physical form are requested to submit the forms to the Company's RTA. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

#### 12. **Updation of Members' Details**

Members are requested to notify any change in their address or bank mandate to: (a) their respective Depository Participants in case of shares held in electronic form; or (b) the Company's RTA, in case of shares held in physical form.

13. As per Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1<sup>st</sup>, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or RTA for assistance in this regards.

14. The Members are requested to submit their queries/requests for clarification, if any, on the Annual Report via e-mail to Shri H P Kharwal, Company Secretary at [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com) latest by the Thursday, 21<sup>st</sup> July, 2022, which will enable the Company to furnish replies at the AGM.

#### 15. **Voting through Electronic means**

In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations as amended from time to time, the Company is pleased to provide the Members facility of "remote e-voting" (e-voting from place other than venue of the AGM) to exercise their right to vote at the AGM.

The business may be transacted through e-voting Services provided by CDSL. The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The Members attending the Meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the Meeting. The Members who have already cast their vote through remote e-voting may attend the Meeting but shall not be entitled to cast their vote again at the AGM.

#### THE INSTRUCTIONS OF MEMBERS FOR REMOTE E-VOTING ARE AS UNDER

i) The voting period begins from **9:00 A.M. on Tuesday, the 26<sup>th</sup> July, 2022 and ends at 5:00 P.M. on Friday, the 29<sup>th</sup> July, 2022**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, the **23<sup>rd</sup> July, 2022**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

ii) Members who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.

iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, under Regulation 44 of the Regulations, listed entities are required to provide remote e-voting facility to its Members, in respect of all Shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process

iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding

securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The 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 visit <a href="http://www.cDSLindia.com">www.cDSLindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>b) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>c) 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></p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available at <a href="http://www.cDSLindia.com">www.cDSLindia.com</a> home page or click on <a href="https://evoting.cDSLindia.com/Evoting/EvotingLogin">https://evoting.cDSLindia.com/Evoting/EvotingLogin</a> 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 able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <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 "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>b) 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 "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>c) 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 "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>

Type of shareholders	Login Method
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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	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 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	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

- v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
  - a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b) Click on "Shareholders" module.
  - c) Now enter your User ID
    - For CDSL: 16 digits beneficiary ID,
    - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - d) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - e) Next enter the Image Verification as displayed and Click on Login.
  - f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - f) If you are a first-time user follow the steps given below:

<b>For Physical Shareholders and other than individual shareholders holding shares in Demat.</b>	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/ RTA</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN to choose Banswara Syntex Limited to vote.
- x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

#### **Facility for Non – Individual Shareholders and Custodians – For Remote Voting**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the e-mail address viz; [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com)/[helpdesk@comptechsharecap.in](mailto:helpdesk@comptechsharecap.in).
- ii. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

II The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of **Saturday, the 23<sup>rd</sup> July, 2022**.

III CS Manoj Maheshwari, Practising Company Secretary and Partner of M/s. V.M. & Associates Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting and polling process to be carried out at this AGM in a fair and transparent manner.

IV The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make within two working days of conclusion of the Meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

V The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at [banswarasyntex.com](http://banswarasyntex.com) and on the website of CDSL within two working days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited.

VI All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 A.M. to 1.00 P.M.) on all working days, upto and including the date of the AGM of the Company.

If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compound, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item numbers 4, 5 and 6 of the accompanying Notice dated 3<sup>rd</sup> May, 2022.

### ITEM NO. 4

This Explanatory Statement is provided pursuant to Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) However, the same is strictly not required as per Section 102 of the Act.

The Member of the Company at the 41<sup>st</sup> Annual General Meeting (the AGM) held on 14<sup>th</sup> September, 2017, appointed M/s. K. G. Somani & Co. Chartered Accountants (Firm Registration No. 006591 N), as the Statutory Auditors of the Company for a period of five consecutive years, from the conclusion of the 41<sup>st</sup> AGM till the conclusion of the 46<sup>th</sup> AGM. Accordingly, the first term of the five consecutive years, as the Statutory Auditors expires on the conclusion of the 46<sup>th</sup> AGM.

Pursuant to the provisions of Section 139 of the Act, no listed company can appoint/re-appoint an audit firm as a Statutory Auditor for more than two terms of five consecutive years and accordingly, K. G. Somani & Co. LLP, Chartered Accountants is eligible to be re-appointed as the Statutory Auditor of the Company for another term of five consecutive years.

The Board of Directors of the Company, at its meeting held on 3<sup>rd</sup> May, 2022, on the recommendation of the Audit Committee has, after considering and evaluating various proposals and factors such as independence, industry experience, technical skills, geographical presence, audit team, audit quality reports, etc. recommended the re-appointment of K. G. Soman & Co. LLP, Chartered Accountants, (Firm Registration No. 006591 N/ N 500377), as the Statutory Auditors of the Company for the second term of five consecutive years from the conclusion of 46<sup>th</sup> AGM till the conclusion of the 51<sup>st</sup> AGM to be held in the year 2027, to examine and audit the accounts of the Company at a remuneration of 25,00,000/- (Rupees Twenty Five Lakhs) for the financial year ending 31<sup>st</sup> March, 2023 plus applicable taxes and out of pocket expenses.

As required under the SEBI Listing Regulations, K. G. Soman & Co. LLP, holds a valid certificate issued by the Peer Review Board of ICAI. K. G. Soman & Co. LLP, has consented to its re-appointment as Statutory Auditors and has confirmed that their re-appointment, if made, shall be in accordance with Sections 139, 141 and other applicable provisions of the Act and rules framed thereunder.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board commends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members of the Company.

#### **ITEM NO.5**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s K.G. Goyal & Co., Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023.

In terms of the provisions of Section 148 (3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Audit and Records) Rules 2014, the remuneration of the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified by the Members.

The remuneration payable to M/s K.G. Goyal & Co, Cost Auditors of the Company for conducting the audit of the cost records for the financial year ended 31<sup>st</sup> March, 2023 as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 3<sup>rd</sup> May, 2022, will not exceed ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) plus applicable taxes and out of pocket expenses.

Accordingly, consent of the Members is sought, by passing an Ordinary Resolution as set out in Item No. 5 of the accompanying Notice to ratify the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution as set out at Item No. 5 of the Notice.

The Board recommends the passing of the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for approval of the Members of the Company.

#### **ITEM NO.6**

The Equity Shares of your Company are listed and traded on BSE Limited and National Stock Exchange of India Ltd. In order to enhance the liquidity in the capital market and to make the shares affordable to small investors, the Board of Directors at its meeting, held on 3<sup>rd</sup> May, 2022, subject to approval of Shareholders and other approvals as may be required, has recommended the subdivision of 1 (One) Equity Share of the Company of the face value of ₹ 10/- (Rupees Ten Only) each into 2 (Two) Equity Shares of the Company of face value of ₹ 5/- (Rupees Five Only) each fully paid up.

The sub-division as aforesaid would also require consequential amendments to the existing Clause V of the Memorandum of Association ("MOA") of the Company as set out in Item No. 6 of the Notice to reflect the change in face value of Equity Share of the Company from existing ₹ 10 (Rupees Ten only) each into ₹ 5/- (Rupees Five only) each. After the approval of Members the Share Capital Structure of the Company will be as per the table mentioned below.

<b>Share Capital (Split 1:2)</b>	
<b>Present Capital</b>	<b>Proposed Capital</b>
<p>The Authorized Equity Share Capital of the Company is ₹ 60,85,00,000 (Rupees Sixty Crore Eighty Five Lakhs only) divided into 6,08,50,000 (Rupees Six Crore Eight Lakhs and Fifty Thousand only) Equity Shares of ₹ 10/- each and the subscribed and paid-up share capital of the Company is ₹ 17,11,60,420/- (Rupees Seventeen Crore Eleven Lakhs Sixty Thousand Four Hundred and Twenty Only) divided into 1,71,16,042 (One Crore Seventy One Lakhs Sixteen Thousand and Forty Two) Equity Shares of ₹ 10/- each fully paid-up.</p>	<p>The Authorized Equity Share Capital of the Company will be ₹ 60,85,00,000 (Rupees Sixty Crore Eighty Five Lakhs only) divided into 12,17,00,000 (Twelve Crore Seventeen Lakhs Only) Equity Shares of ₹ 5/- each and the subscribed and paid-up share capital of the Company is ₹ 17,11,60,420/- (Rupees Seventeen Crore Eleven Lakhs Sixty Thousand Four Hundred and Twenty Only) divided into 3,42,32,084 (Three Crore Forty Two Lakhs Thirty Two thousand and Eighty Four Only) Equity Shares of ₹ 5/- each fully paid-up.</p>

The proposed sub-division of equity shares will not result in any change in the amount of authorized and paid-up share capital of the Company and will help in increasing the liquidity.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise in the Resolution set out at Item No. 6, except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the passing of the Special Resolution as set out in Item No. 6 of the accompanying Notice for approval of the Members of the Company.

**By order of the Board of Directors**

Sd/-

**H.P.Kharwal**

Company Secretary

ACS 28614

**Registered Office**

Industrial Area, Dahod Road,  
Post Box No.21,  
Banswara-327001  
Rajasthan

**DETAILS / PROFILE OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 46<sup>th</sup> AGM AS PER REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ON GENERAL MEETING.**

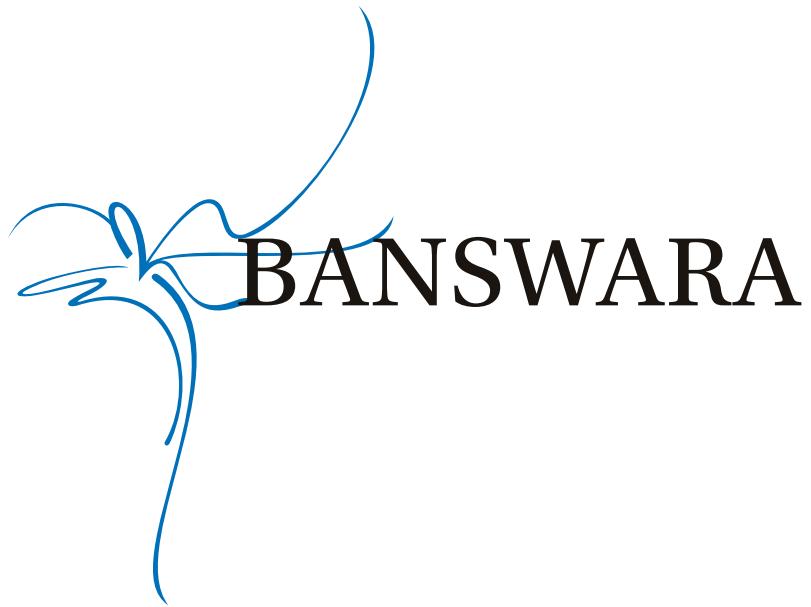
<b>Position/Post</b>	<b>Re-Appointment/ Director Retiring by Rotation</b>
<b>Name of the Director</b>	Shri Rakesh Mehra
<b>DIN</b>	00467321
<b>Date of Birth &amp; Age</b>	19.11.1957 (Age 64 Yrs.)
<b>Date of first Appointment on the Board</b>	23.04.1986
<b>Qualification(s)</b>	Fellow Member of Institute of Chartered Accountants of India.
<b>Experience and Expertise</b>	Over 36 years of experience in the Textile Industry. He has been Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) for two terms. Presently, he is Convener of the MMF Textiles Sub Committee of Confederation of Indian Textile Industry (CITI) and President of Indian Spinners' Association (ISA).
<b>List of the other Listed Companies in which Directorship held as on 31<sup>st</sup> March, 2022</b>	<ul style="list-style-type: none"> <li>• Moonfine Trading Co. Pvt. Ltd.</li> <li>• Excel Pack Pvt. Ltd.</li> <li>• TESCA Textile &amp; Seat Components (India) Pvt. Ltd.</li> </ul>
<b>Chairmanship/ Membership of the Committees of Boards of other companies in which he is a Director as on 31<sup>st</sup> March, 2022</b>	NIL
<b>No. of Shares held in the Company</b>	
a) Own	6061
b) For other person on Beneficial basis	NIL
<b>Details of the Remuneration last drawn</b>	During Financial year 2021-22, ₹ 224.14 Lakhs was paid.
<b>Terms &amp; Conditions of re-appointment</b>	NIL
<b>Relationships between the Directors <i>inter se</i></b>	<ul style="list-style-type: none"> <li>• Shri Ravindra Kumar Toshniwal - Brother -in- Law</li> <li>• Shri Shaleen Toshniwal – Brother-in –Law</li> </ul>
<b>The number of Board Meetings attended during the year</b>	4 (four)

**By order of the Board of Directors**

Sd/-

**H.P. Kharwal**

Company Secretary  
M. No. A28614



## Board's Report

## BOARD'S REPORT

### To

#### Dear Members,

Your Directors are pleased to present the 46<sup>th</sup> Annual Report of the Company, together with the Audited Financial Statements, for the financial year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS

The summary of financial performance of Company for the year ended 31<sup>st</sup> March, 2022 is furnished hereunder:-

Particulars	Current year 2021-22	Previous year 2020-21
Revenue from Operations	1,18,977	78,662
Other Income	1,698	1,623
Total Revenue	1,20,675	80,285
Profit before interest, depreciation & tax (PBITD)	13,867	9,538
Less: Interest	2,479	3,256
Profit Before Depreciation (PBDT)	11,388	6,282
Less: Depreciation	4,186	4,647
<b>Profit before tax</b>	<b>7,202</b>	<b>1,635</b>
Tax Expenses	2,528	241
<b>Profit after Tax</b>	<b>4,674</b>	<b>1,394</b>
Other comprehensive Income	(139)	157
Total comprehensive Income	4,534	1,551
Dividend on Equity Shares	428	257
<b>Earnings per share (₹) : Basic</b>	<b>27.31</b>	<b>8.14</b>
<b>Diluted</b>	<b>27.31</b>	<b>8.14</b>

### OPERATIONS AND STATE OF AFFAIRS

During the year under review, the production of yarn was 297 Lakhs kilograms as against 216 Lakhs kilograms during 2020-21, which is 37% more than of previous year, production of fabrics was 249 Lakhs meters as against 155 Lakhs meters, which is more than 60% as compared to last year and production of garments was 29 Lakhs pieces as against 16 Lakhs pieces of last year, which is increased by 81%.

Your Company's net income from operations has increased by 51% during 2021-22 from ₹ 787 crore (2020-21) to ₹ 1,190 crore.

The profit before interest, depreciation and tax (PBITD) during 2021-22 has been ₹ 139 crore as against ₹ 95 crore during 2020-21. The profit before depreciation and tax (PBDT) improved from ₹ 63 crore in 2020-21 to ₹ 114 crore during 2021-22. The Net Profit earned during the year is ₹ 45.34 crores as against ₹ 15.51 crore in 2020-21.

The basic and diluted EPS for the year 2021-22 was works out to ₹ 27.31 as against ₹ 8.14 for the year 2020-21.

Your Company has charged depreciation on property, plant and equipment as per the provisions of Schedule of the Companies Act, 2013 (the Act).

There has been no change in the nature of Company's business during the year as it continues to remains in the business of manufacturing and marketing of textile products.

The Company has prepared its Financial Statements as per applicable provisions of IND-AS (Indian Accounting Standards) for the year 2021-22.

### MATERIAL CHANGES AFFECTING THE COMPANY

There has been no material change and commitment, affecting the financial position of the Company between the end of the financial year and date of this Report.

### CHANGE IN NATURE OF BUSINESS

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

### EXPORTS

During the year under review, the export turnover of the Company has been ₹ 539 crore as against ₹ 325 crore during 2020-21. The share of export turnover in the net income for the year 2021-22, has been 45% (previous year 42%) of the total turnover.

### DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 2.50 per equity share i.e. @25% (previous year ₹ 1.50 per equity share) for the financial year 2021-22. The total dividend payout on equity shares, if approved by the Shareholders, for the year will absorb ₹ 4.28 crore (previous year ₹ 2.57 crore).

The Company has transferred amount of unclaimed dividends upto the year 2013-14 to the Investors Education and Protection Fund (IEPF).

### TRANSFER TO RESERVES

The Board of Directors of your Company has not proposed to transfer any amount to the reserves for the financial year under review.

### SHARE CAPITAL

There has been no change in share capital of the Company during the year 2021-22. The paid-up equity share capital as on 31<sup>st</sup> March, 2022 was ₹ 17,11,60,420/- (Rupees Seventeen Crore Eleven Lakhs Sixty Thousand Four Hundred Twenty) divided into 17116042 equity shares of ₹ 10/- each.

### EXPANSION, DIVERSIFICATION AND MODERNIZATION

During the year under review, the Company invested ₹ 22.49 crore (previous year- ₹ 10.30 crore) for modernization of its production capacities. The capital-work-in-progress at ₹ 28.93 crore (previous year ₹ 0.68 crore) and advances to capital goods suppliers aggregated ₹ 8.36 crore (previous year ₹ 1.31 crore) at the end of the period.

The total production capacity of the Company as at 31<sup>st</sup> March, 2022 for yarn is 150788 ring spindles, including 14880 spindles for worsted yarn spinning and 448 Air Jet spindles, 397 shuttle less looms including 32 Air Jet jacquard looms, 9 stenters with processing capacity of 4.5 million meters per month and manufacturing capacity of 4.10 Lakhs pieces of garments per month.

### **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES COMPANIES**

The Company has one Joint Venture Company viz. Tesca Textiles & Seat Components (India) Private Limited. During the year, the Board of Directors reviewed the affairs of the Joint Venture Company. In terms of sub-section 3 of Section 129 of the Act, the Company prepared consolidated Financial Statements, which forms part of the Annual Report. Further, a statement containing the salient features of the Financial Statements of the Associate Companies is set out in the prescribed form AOC-1 (Part 'B'-Associates and Joint Ventures) is annexed as **Annexure-I**, which forms part of this Report.

The Company has framed a policy for determining Material Subsidiaries, which has been uploaded on the Company's website at [http://www.banswarasyntex.com/wp-content/uploads/2019/05/MAT\\_SUB\\_POLICY.pdf](http://www.banswarasyntex.com/wp-content/uploads/2019/05/MAT_SUB_POLICY.pdf)

#### **Subsidiary**

The Company had no Subsidiary Company during the year.

#### **Associates**

The Company had no Associate Company during the year.

#### **Joint Venture**

Your Company holds 40.45% of the paid-up share capital of Joint Venture Company, out of the balance 59.55% of the share capital, 50.55% of is held by Tesca Textiles & Seats Components, France and 9% by Kolon Glotech India Private Limited, during the year your Company has invested ₹ 178 Lakhs in right issue of equity shares of the Joint Venture Company.

During the financial year 2021-22, Tesca Textiles & Seat Components (India) Private Limited has produced 28.29 Lakhs meters of Laminated Fabric and 1064905 pieces of Embossed Panel parts and Flex. Total turnover of this Joint Venture Company during the financial year 2021-22 was ₹ 7,610 Lakhs (previous year ₹ 6,371.30 Lakhs) with net Loss of ₹ 283.19 Lakhs as against a net profit of ₹ 153.42 Lakhs in the previous year.

### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with IND-AS 110 on Consolidated Financial

Statements read with IND-AS 28 on Accounting for Investments in Associates & Joint Ventures and also as per Section 129 of the Act, the audited Consolidated Financial Statements are furnished in this Report.

### **THERMAL POWER PLANT**

Your Company has two Thermal Power Plants of 33 MW capacity and both units of the Captive Thermal Power Plant have been working satisfactorily during the year. Your Company is meeting its requirements of coal from domestic sources as well as through imports.

### **FINANCE**

During the year under review, your Company obtained disbursements of loans aggregating ₹ 15.56 crore for acquisition of fixed assets and meeting working capital requirement from various Banks. The Company has repaid terms loan of ₹ 52.62 Crore during the year 2021-22.

The Company's bankers are providing need-based working capital assistance after review of its requirements from time to time.

### **CONTRIBUTION TO EXCHEQUER**

During the year, your Company has contributed ₹ 34.21 crore to the Government Exchequer by way of Goods & Services Tax, Income Tax, and other statutory payments.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Management Discussion and Analysis Report for the year under review, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) is annexed as **Annexure-II**, which forms part of this Report.

### **CORPORATE GOVERNANCE**

The Company has complied with the mandatory provisions of Corporate Governance requirements as stipulated under the SEBI Listing Regulations. A separate Report on Corporate Governance along with the requisite certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance is annexed to this Report as **Annexure III**, which forms part of this Report.

### **FIXED DEPOSITS**

As per provisions of the Act, the Company accepts fixed deposits from its Members as approved by the Shareholders in their meeting held on 27<sup>th</sup> August, 2016. During the year under review, the Company has accepted fixed deposits aggregating ₹ 379 Lakhs, made repayments of ₹ 1,205 Lakhs and had outstanding deposits aggregating ₹ 2,139 Lakhs as

on 31<sup>st</sup> March, 2022 as against the Deposits of ₹ 2,965 Lakhs at the beginning of the year. However, during the year, the maximum deposit held ₹ 30.75 crore. There has been no default in repayment of deposits or payment of interest thereon. No deposit was unclaimed or matured but not paid as on 31<sup>st</sup> March, 2022. The Company has duly complied with the provisions of the Companies (Acceptance of Deposits) Rules, 2014.

The Company has obtained Credit Rating for Fixed Deposits from India Ratings and Research Limited and has also opened the Fixed Deposits Repayment Reserve Account with a scheduled bank for fixed deposits maturing during the financial year 2022-23.

### **CORPORATE SOCIAL RESPONSIBILITY**

As a part of its initiatives under Corporate Social Responsibility, the Company has framed Corporate Social Responsibility Policy (CSR Policy) in terms of which, the Company has undertaken projects in the areas of promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently able and livelihood enhancement projects; Eradicating hunger, poverty and malnutrition, (promoting health care including preventive health) and sanitation; Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water; Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports etc. These projects are in accordance with Schedule VII of the Act.

As required under Section 134 (3) (o) and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR activities, is annexed as **Annexure IV**, which forms part of this Report.

### **RISK MANAGEMENT**

According to Regulation 17(9) of the SEBI Listing Regulations, the Company has laid down a risk management framework to inform the Board about the risk assessment and minimization procedures undertaken by the Company. The risk management framework is designed to identify, evaluate and assess business risks and their impact on Company's business. The risk assessment and minimization procedures are reviewed by the Board periodically to ensure that executive management controls risk through the mechanism of a properly defined and updated framework. The framework is aimed at creating and protecting stakeholder's value by minimizing threats and losses besides identifying and maximizing opportunities.

### **INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company has adequate Internal Financial Control System, commensurate with the size, scale and complexity of its operations, to maintain the objectivity and independence of the audit. The Chief Internal Auditor reports to the Audit Committee of the Board. The Internal Financial Control System and its adequacy have been audited by M/s S. K. Loonkar & Associates, a reputed firm of Chartered Accountants.

The Audit Committee of the Board actively reviews, every quarter, the adequacy and effectiveness of the Internal Control System and suggests improvements necessary to strengthen the same. The Company has a Management Information System which is integral part of the financial control mechanism.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its confirm with and compliance with the operating norms/parameters, accounting procedures and policies for safeguarding of its assets, prevention and detection of frauds, errors in reporting mechanisms, accuracy and completeness of the accounting records and timely preparation of accurate and reliable financial disclosures about the Company. Based on the reports of the internal auditors, the process owners undertake corrective actions in their respective areas and thereby ensure compliance of major observations/suggestions of internal auditors and action taken thereon is regularly reported to Audit Committee.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any and violation of the Company's code of conduct or ethics policy. It also provides adequate safeguards against victimization of persons, who use such mechanism and provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. None of the employees of the Company has been denied access to the Audit Committee.

Shri HP Kharwal, Company Secretary and Compliance Officer of the Company, has been designated as Vigilance and Ethics Officer for various matters related to Vigil Mechanism. The said policy is available on the Company's website at [http://www.banswarasyntex.com/wp-content/uploads/2019/05/VIGIL\\_MECH\\_WB\\_POLICY.pdf](http://www.banswarasyntex.com/wp-content/uploads/2019/05/VIGIL_MECH_WB_POLICY.pdf)

## DISCLOSURE UNDER THE SEXUAL HARASSMENT ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted policy on prevention, prohibition and redressal of Sexual Harassment at workplace as per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (the POSH Act) and Rules made thereunder.

An Internal Complaints Committee has been set up in compliance with the POSH Act. During the year under review, no complaints were reported to the Board.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Director Re-appointment

Shri Jagdeesh Mal Mehta (DIN: 00847311) was re-appointed as an Independent Director of the Company for the second terms of the five consecutive years with effect from 27<sup>th</sup> October, 2021 to 26<sup>th</sup> October, 2026 by the Board, based on recommendation of the Nomination and Remuneration Committee of the Company and the re-appointment was approved by the Members at the 45<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2021.

### Director Retirement by rotation

Shri Rakesh Mehra (DIN: 00467321), Whole-time Director of the Company, is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

A brief profile of Shri Rakesh Mehra together with other related information required under Regulation 36 of the SEBI Listing Regulations and Secretarial Standard-2 has been furnished in the Notice convening the 46<sup>th</sup> AGM of your Company.

### Key Managerial Personnel

The following persons are/were the Key Managerial Personnel (KMP) of the Company pursuant to Sections 2 (51) and 203 of the Act read with the Rules framed thereunder:

- i. Shri Rakesh Mehra, Chairman and Whole -time Director;
- ii. Shri Ravindra Kumar Toshniwal, Managing Director;
- iii. Shri Shaleen Toshniwal, Joint Managing Director;
- iv. Shri J. K. Jain Joint President and Chief Financial Officer (upto 10<sup>th</sup> Nov, 2021);
- v. Shri Pankaj Gharat, Chief Financial Officer (w.e.f. 3<sup>rd</sup> May, 2022);
- vi. Shri H. P. Kharwal, Company Secretary

The Board had placed on record its appreciation for the services rendered by Shri J. K. Jain during his tenure as KMP of the Company and also the Board had welcome Shri Pankaj Gharat for his joining to the Company.

### Declaration of Independent Directors

All Independent Directors have furnished declarations to the effect that they meet the criteria of independence as laid down in Section 149 (6) of the Act and Regulation 16 of the SEBI Listing Regulations and complied with the Code for Independent Directors prescribed in Schedule IV to the Act and that they are not disqualified to become directors under the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company. All the Independent Directors have registered themselves in the Independent Director's Database as managed by the Indian Institute of Corporate Affairs.

The Board of Directors is of the opinion that all the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors and that all the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

### Board Evaluation

Pursuant to the provisions of Section 134 and 178 of the Act and The SEBI Listing Regulations, the Board has adopted a procedure for formal performance evaluation of the Board, its Committees and Individual Directors including the Chairman and Executive Directors. The exercise was carried out during the year through a structured evaluation process starting with a questionnaire sent to all Directors covering all aspects of the working of the Board, its Committees and individual directors followed by deliberations in respective meetings.

The separate exercises were carried out to evaluate the performance of Non Independent Directors, including the Chairman and Whole Time Directors, on specific parameters such as attendance, contribution in Board and committee meetings, independent judgment, safeguarding the interest of minority shareholders etc, in the specifically convened meeting of Independent Directors. The Nomination and Remuneration Committee evaluated the performance of individual Directors before consideration by the Board. The Chairpersons of the respective Committees shared their reports with the Board. The Board expressed their satisfaction on the implementation of evaluation process and the results thereof.

## Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed the Nomination and Remuneration Policy for appointment of Directors, Key Managerial personnel and Senior Management Personnel as also their remuneration and performance evaluations. The said Policy is explained in the Corporate Governance Report and also available on the Company's website at [http://www.banswarasyntex.com/wp-content/uploads/2019/05/NOMINATION\\_POLICY.pdf](http://www.banswarasyntex.com/wp-content/uploads/2019/05/NOMINATION_POLICY.pdf)

## Familiarization Programme of the Independent Directors

Two Familiarization programme for the Independent Directors were conducted during the year 2021-22, the details of which are placed on the Company's website at [https://www.banswarasyntex.com/wp-content/uploads/2022/06/Fam\\_Prg\\_ID\\_2022.pdf](https://www.banswarasyntex.com/wp-content/uploads/2022/06/Fam_Prg_ID_2022.pdf)

## RELATED PARTY TRANSACTIONS

All related party transactions were entered into during the financial year was carried out on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations.

Pursuant to Regulation 23 of SEBI Listing Regulations 2015 and provisions of the Act, the Related party Transactions have been pre-approved by Audit Committee. The particulars of the contracts or arrangements entered into with related parties referred to in sub section (1) of Section 188 of the Act are indicated in Form AOC-2 is annexed as **Annexure V**, which forms part of this Report.

The revised policy on Related Party Transactions as approved by the Board is available on the Company's website at [https://www.banswarasyntex.com/wp-content/uploads/2022/06/REL\\_PTY\\_TRN\\_POLICY\\_REV](https://www.banswarasyntex.com/wp-content/uploads/2022/06/REL_PTY_TRN_POLICY_REV).

## NUMBER OF THE BOARD MEETINGS

During the year under review, four meetings of the Board of Directors were held i.e. on 18<sup>th</sup> June, 2021, 10<sup>th</sup> August, 2021, 30<sup>th</sup> October, 2021 and 3<sup>rd</sup> February, 2022. The details of the composition of the Board and its Committees and number of meetings held and attendance of Directors at such meetings are provided in the Corporate Governance Report which forms part of this Report.

## INDEPENDENT DIRECTORS' MEETING

In terms of Schedule IV of the Act and Regulation 25 of the SEBI Listing Regulations, Independent Directors of the Company are required to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and Members of management.

During the year under review, Independent Directors met separately on 18<sup>th</sup> June, 2021, *inter-alia*, for

- Evolution performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- Evolution performance of the Chairman of the Company, taking into views of Executive and Non-Executive Directors.
- Evolution of the quality, content and time line of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties

## AUDITORS

### Statutory Auditors

K. G. Somani & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 06591N/N500377) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 41<sup>st</sup> AGM held on 14<sup>th</sup> September, 2017 till the conclusion of the ensuing Annual General Meeting as the first term of five consecutive years and is eligible for re-appointment for the second terms of the five consecutive years.

The Company has received confirmation, consent and eligibility certificate from the Auditors to the effect that their re-appointment, if made, will be in accordance with the limits specified under the Act and that the firm satisfies the criteria specified in Section 141 of the Act read with Rule 4 of Companies (Audit & Auditors) Rules, 2014.

The Board is of the opinion that continuation of K. G. Somani & Co. LLP, as the Statutory Auditors will be in the best interests of the Company and therefore, the Members are requested to consider their re-appointment as the Statutory Auditors of the Company, for a second terms of five consecutive years, from the conclusion of the ensuing Annual General Meeting, till the conclusion of 51<sup>st</sup> Annual General Meeting of the Company to be held in the calendar year 2027.

The Board, based on the recommendation of the Audit Committee, has resolved to place the proposal of re-appointment of K.G. Somani & Co. LLP, Chartered Accountants as Statutory Auditors for the second term of five years i.e. from the conclusion of ensuing AGM till the conclusion of 51<sup>st</sup> AGM of the Company to be held in the calendar year, 2027 before the Members for their approval.

The Auditors' Report on the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 is unmodified i.e. it does not contain any qualifications, reservations or adverse remarks. The Auditors' Report is enclosed with the Financial Statements forming part of the Annual Report.

As regards the Statutory Auditors' observations, the relevant Notes on Significant Accounting Policies, Notes on Accounts and other disclosures are self-explanatory and, therefore, do not call for any further comments except (i) in the matter of non-payment of Custom Duty of ₹ 359.75 Lakhs for which the matter is under appeal before CESTAT, Ahmedabad, and at Rajasthan High Court, Jodhpur and (ii) non-payment of Income Tax of ₹ 1558.26 Lakhs for which the matter is under appeal with CIT (Appeals), Udaipur. These liabilities will be met, if necessary, on final decision of the respective Appellate Authorities.

#### **Secretarial Auditors**

In terms of Section 204 of the Act read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014, the Company had appointed M/s V.M. & Associates, Company Secretaries (FRN: P1984RJ039200), Jaipur to undertake the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2022.

The Report of the Secretarial Auditors is annexed as **Annexure VI**. There has been no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditors in their Report.

#### **Cost Auditors**

The Company is required to maintain cost records as specified by the Central Government as per Section 148(1) of the Act and the Rules framed thereunder, and accordingly, the Company has made and maintained such cost accounts and records.

In terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Audit Committee recommended and the Board of Directors appointed M/s K.G. Goyal & Co., Cost Accountants (Registration No. 000017), Jaipur being eligible, to conduct Cost Audits relating to Textile unit.

The Company has received their written consent and confirmation that the appointment will be in accordance with the applicable provisions of the Act and rules framed thereunder. The remuneration payable to Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee and in terms of the Act and Rules therein.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, an Ordinary Resolution for seeking Member's ratification for the remuneration payable to M/s K.G. Goyal & Co., Cost Auditors as set out in the Notice of the ensuing AGM of the Company.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, none of the Auditors i.e. Statutory Auditors, Cost Auditors or Secretarial Auditors have reported, to the Audit Committee or the Board, under Section 143 (12) of the Act, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

#### **TAX AUDITORS**

As per the requirement of Section 44AB of the Income Tax Act, 1961, CBV & Associates LLP, Chartered Accountants (Registration No. W100636), Mumbai, have been appointed as Tax Auditors for the financial year 2022-23 and their remuneration fixed as per the recommendation of the Audit Committee.

#### **PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES**

During the year under review, the Company has not granted any loans nor provided any guarantees to or invested in securities except ₹ 178 Lakhs was invested into equity shares of Joint Venture Company.

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statement.

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

The required information under the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, etc. is annexed as **Annexure VII**, which forms part of this Report.

#### **INSURANCE**

All the properties of the Company, including buildings, plant and machinery and stocks, have been adequately insured.

#### **RELATIONS**

The relations between the Company's management and staff/workers continued to remain cordial. The Directors place on record their deep appreciation of the devoted services of the workers, staff and executives.

#### **PARTICULARS OF EMPLOYEES**

The information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-VIII**.

Further, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant statement is annexed as **Annexure - IX**.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There have been no significant or material orders passed by the Regulators or Courts/Tribunals, during the year under report, that would impact the going concern status of the Company and its future operations.

### **EXTRACT OF ANNUAL RETURN**

An extract of Annual Return for the financial year ended 31<sup>st</sup> March, 2022 as required under Section 92(3) of Act, is uploaded on website of the Company and can be accessed at [https://www.banswarasyntex.com/wp-content/uploads/2022/06/Form\\_MGT\\_7.pdf](https://www.banswarasyntex.com/wp-content/uploads/2022/06/Form_MGT_7.pdf)

### **SECRETARIAL STANDARDS**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134 (5) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable Accounting Standards have been followed and there are no material departures from the same;
- (b) the Directors have 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 as at 31<sup>st</sup> March, 2022, and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the 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;
- (d) the Directors have prepared the annual accounts of the Company for the year on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating effectively; and

- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and have been operating effectively.

### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year under review, the Company has not made or received any application under IBC and there is no proceeding pending under the said Code at the end of the financial year.

### **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**

During the year under review, the Company has not entered into any one-time settlement and therefore the disclosure in this regard is not applicable.

### **Acknowledgements**

Your Directors wish to express their gratitude for the guidance and co-operation received from the Financial Institutions, Banks, various Central and State Government Departments besides the Customers and Suppliers during the year under report. The Directors, particularly, wish to acknowledge and place on record the continuous support and guidance of all the shareholders and, more importantly, for the confidence reposed in the Company's management.

**For and on behalf of the Boards of Directors**

Sd/-

**Rakesh Mehra**

Chairman

DIN: 00467321

Place: Mumbai  
Date: 3<sup>rd</sup> May, 2022  
Registered Office  
Industrial Area, Dahod Road,  
Post Box No. 21,  
Banswara-327001  
Rajasthan

**Annexure - I to the Directors' Report**
**FORM AOC – 1**

(Statement pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rule, 2014) containing salient features of the Financial Statements of the subsidiaries/associates companies/joint ventures.

**Part "A" Subsidiaries "Not Applicable"**
**Part "B" Associates and Joint Ventures**

Statement pursuant to sub section (3) of Section 129 of the Companies Act, 2013 related to Associate Companies and Joint Ventures

<b>Name of the Joint Ventures</b>	<b>Tesca Textiles &amp; Seat Components (India) Pvt. Ltd. (Joint Venture Company)</b>
1. Latest Audited Balance Sheet date	31/03/2022
2. Shares of Associate/ Joint Ventures held by the Company on the year end in Numbers	32,36,000
Amount of Investment in Associates/ Joint Ventures	₹ 466 Lakhs
Extend of Holding %	40.45%
3. Description of how there is significant influence	Joint venture and the Company holds 40.45% voting rights/share capital
4. Reason why the associate/ Joint Venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest Audited Balance Sheet	₹ 351.33 Lakhs
6. Profit/Loss for the year	
i. Considered in Consolidation	₹ 111.36 Lakhs
ii. Not Considered in Consolidation	NIL

**For and on behalf of the Board of Directors**

**For K.G. Somani & Co. LLP**  
Chartered Accountants  
FRN – 06591N/N500377  
Sd/-

**Kavita Goyal**  
Partner  
M.No.063419  
Place: New Delhi  
Date: 3<sup>rd</sup> May, 2022

Sd/-  
**Rakesh Mehra**  
DIN : 00467321  
Chairman  
Sd/-  
**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director  
Sd/-  
**J. K. Rathi**  
President  
Place : Mumbai  
Date : 3<sup>rd</sup> May, 2022

Sd/-  
**Ravindra Kumar Toshniwal**  
DIN : 00106789  
Managing Director  
Sd/-  
**Praduman V. Kumar**  
DIN : 00179074  
Chairman - Audit Committee  
Sd/-  
**Pankaj Gharat**  
Chief Financial Officer

Sd/-  
**H.P. Kharwal**  
Company Secretary

## Annexure-II to Directors' Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INTRODUCTION

India's textiles industry is one of the oldest industries in the Country dating back to several centuries. It is among the largest contributors to the economy accounting for 2% of the GDP. It is the second largest contributor towards employment generation, after agriculture, contributing approx 10% to the Country's manufacturing, owing to its labor-intensive nature. The industry is characterized by its robust vertical integration in almost all the sub-sectors.

India is the second largest producer and exporter of textiles after China. Further, the China +1 strategy adopted by Global players in the post- covid era has helped India significantly in gaining market share. Government initiatives like the PLI scheme has provided a boost to the Textile sector too. The Textile sector looks set for a good positive revival in the upcoming years after having a few lackluster years.

#### RISKS AND CONCERNs

Management Discussion and Analysis mainly comprise the statements which may, inter alia, involve predictions based on perceptions and may, therefore, be prone to risks and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking or depressing within the meaning of applicable laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

The important factors that could hamper the Company's operations in FY 2022-23 are rise in COVID-19 cases leading to a 4<sup>th</sup> wave, High inflation, Rising crude oil prices, Escalation of war in Ukraine, unavailability of raw material, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts its business, India's Free Trade Agreements with other countries, prevailing exchange rate of Indian Rupee against other currencies, availability of skilled and unskilled workforce and other incidental factors. The shareholders are cautioned to keep this in view in conjunction with the Company's financial statements.

#### CORE BUSINESS AND PRODUCTS

The core business of the Company is manufacturing and marketing of spun synthetic blended yarn, wool and wool mix yarn, spun synthetic and worsted fabrics and cotton & linen fabrics besides readymade garments. The Company also produces shirting and technical fabrics. Tesca Textiles and Seats Components (India) Private Limited, the Joint venture Company, is producing automotive fabrics. The demand of the company's products was significantly higher in FY 2021-22 and the company expects it to remain at similar levels in FY 2022-23 as well. The company has a strong order book and that gives it the confidence that it would perform even better in FY 23.

#### OUTLOOK

Your Company's future growth is built on two parallel growth drivers viz., domestic consumption of fabrics & garments and large global opportunities in textiles and clothing.

In FY 2021-22, the Company's was able to scale up its operations significantly as compared to FY 2020-21. The company was able to run its factories at high utilization levels- thereby enabling it to produce and sell more. Macro factors like China + 1 strategy, the Ukraine War, the Sri Lankan crisis, etc., have opened up further avenues for the company. Further, garment capacities have shrunken throughout the world, leading to additional demand for your company's products.

On the Domestic front, the opening of offices as well as removal of restrictions on wedding and other functions, has brought in remarkable demand for the company's products. This demand is expected to sustain throughout FY 2022-23. The company is optimistic of clocking higher sales in FY 2022-23 as compared to FY 2021-22.

The Company has decided to focus on increasing the sale of value-added products in yarn, fabrics and readymade garments, thereby, generating higher value for its stakeholders.

## INDUSTRY STRUCTURE, ITS DEVELOPMENT

The global textile and apparel industry is continuously evolving. Over the years, it has witnessed multiple shifts in consumption and production patterns, including shifts in geographical manufacturing hubs, as the industry is driven by the availability of cheap labor.

Even though apparel industry is dominated by developed markets of EU and the US, the emerging markets led by countries such as India, China, Russia and Brazil are becoming consumption markets. Simultaneously, India and China have strong textile manufacturing base, and are thus emerging as both sourcing and consuming nations.

A comparative position of the Company's manufacturing capacities in the last 2 financial years is as under:-

Sl. No.	Particulars	Installed Capacity as at	
		31.03.22	31.03.21
1	<b>Spinning (Spindles)</b> a). Synthetic Blended yarn b). Worsted Yarn c). Air-jet Yarn	137460 14880 448	137512 21120 448
2	<b>Fibre, Yarn &amp; Wool Dyeing (MT/Month)</b> a). Fiber b). Yarn	1050 150	1050 150
3	<b>Fabric Weaving (No. of Looms)</b> a) Fabric Weaving b) Jacquard and Jacquard Technical Fabrics	365 32	371 32
4	<b>Fabric Processing (Lakh Mtrs./month)</b>	45	45
5	<b>Suitings</b> a). Trousers – Lines pcs/month b). Jackets, waist coat and seat cover Line Pcs/month	24 328125 8 81250	24 328125 8 81250
6	<b>Thermal Power Plant (MW) (Coal based)</b>	33	33

## OPPORTUNITIES & THREATS:

In 2019, the global textile and apparel trade was US\$ 839 bn, which is expected to reach US\$ 1 trillion by 2025 growing at a CAGR of 3%. India currently is ranked 6th amongst the Textile and apparel exporting countries of the world. Its market share is significantly lower at 4% as compared to China which contributes about 38% of the total world trade. This indicates there is a significant opportunity for the Indian textile players to catch up and increase their sales in the global markets. The growing size of the industry also bodes well for Indian textile manufacturers aiming to build their sales channels outside India.

Further, the China + 1 strategy, the US ban on certain Chinese Textile products, the extended Chinese lockdowns due to COVID-19 has opened the markets for smaller players like India to capture the market. The world is looking for an alternative to Chinese products and India is the preferred partner of choice to replace these Chinese products. This opens a plethora of opportunities for the Indian Textile industry to replace the Chinese and gain a strong standing in the world markets.

On the Domestic front, the market is expected to grow at 10% CAGR from 2019- 20 to reach US\$ 190 bn. by 2025-26. Further, with the impact of COVID 19 waning out, normalcy is returning, and this would only lead to increase in demand. Further, various incentives offered by the government, have provided the much needed impetus to the Textile industry. Your company is a good stead to capture these opportunities and is optimistic on the harvesting these opportunities in near future. The Company expects to increase its business with the new customers while sustaining and strengthening the volumes with the existing clientele. With the growing mobile and internet penetration, e-commerce shopping is expected to act as a key enabler in consistent sales volume growth for the industry.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Commensurate with the size and nature of business, the Company has adequate system of internal controls. It is ensured that all assets are safeguarded, protected against loss and all transactions are authorized, recorded, and reported correctly.

Internal Control System consists of in-house audit team headed by Chief Internal Auditor to carry out internal audits and create an in-built internal checking mechanism covering all units and business operations within a specified time frame. In addition, the Company has also appointed independent Chartered Accountants' firms to regularly carry out internal audits of various depts. /units at all locations. The Company has Audit Committee of the Board, the composition, and functions of which are furnished in the Corporate Governance Report as part of the Annual Report.

The Audit Committee reviews the adequacy and effectiveness of Internal Financial Control System and provides guidance for further strengthening them. The Company is using SAP which is used all over the World as an ERP due to its robust and end-to-end control mechanism.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial results for FY 2021-22 are not comparable to FY 2020-21 as the previous year was an abnormal year due to the impact of the pandemic Covid-19. The operating performance of the Company has been detailed in the Directors' Report under the heads 'Financial Results' and 'Operations and State of Affairs'. The profit before interest, depreciation and tax (PBIDT) during 2020-21 has been ₹ 136 crore as against ₹ 92 crore during 2020-21. The profit before depreciation and tax (PBDT) has been ₹ 114 crore as against ₹ 63 crore during 2020-21. The company takes immense pleasure to mention that the PBDT (Cash Profit) made in FY 2021-22 is the highest ever made by the company in its history. Though, the Q1 performance was slightly impacted due to third wave of Covid 19, the overall company delivered a commendable overall yearly performance. The Net Profit earned during the year is ₹ 45.35 Crores as against ₹ 15.50 crores in 2020-21.

## DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

As required, the following are the key ratios having significant changes i.e. change 25 % or more as compared to the previous financial year:

- Debtors Turnover Ratio
- Inventory Turnover Ratio
- Interest Coverage Ratio
- Current Ratio
- Debt Equity Ratio
- Operating Profit Margin (%)
- Net Profit Margin (%)
- Return on Net Worth (%)

The details of the aforesaid ratios and change in return on net worth, as compared to the immediately previous financial year along with detailed explanation thereof forms part of discussion on financial performance, appended to this Report.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations in all units of the Company continue to be cordial. The skills, experience and passion of our people facilitate deeper customer understanding and engaging relationships and strengthen our brand value as a preferred employer. We continue to step up efforts to accelerate our value-based growth strategy and the overall development of human capital. We nurture our people by investing in their empowerment through learning and development, wellness, and safety besides providing temporary workplace facilities. The below is a staff count difference between March-2021 and March-2022:

Location	Mar.-21	Mar.-22
Banswara	1,040	1,017
Daman	172	205
Mumbai	83	94
Surat	94	121
<b>TOTAL</b>	<b>1,389</b>	<b>1,437</b>

The data based KRAs have been designed for majority of the functions across all the locations and it covers Level-1 and Level-2 staff of each function.

The PayGuru system has been finalized for the HRMS, which will be used to run all the HR related processes for Workers at all locations. The said system is having a unique source code and the same will be further modified as per requirements and the centralized payroll processing has started for all the locations by using People strong system.

### GOVERNMENT SUPPORT

The government has undertaken various initiative to support the development of the Textile Industry. Some of the major initiatives undertaken by the Indian Government during the last few years, are as follows:

- Pradhan Mantri Mega Integrated Textile Region and Apparel (PM-MITRA) Parks with an aim to support establishment of 7 world class, mega textile parks
- Production-linked incentive (PLI) scheme focused at encouraging large scale projects in manmade and Technical Textile segments
- Launch of Amended Technology Up-gradation Fund Scheme (A-TUFS). This scheme has created employment for ~35 lakh people and enabled investments worth ₹ 95,000 crore (US\$ 14.17 billion)
- Easing of GST laws
- Allocation of funds for various training and upskilling activities under the "Aatmanirbhar Bharat" initiative.

### CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions, may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.

Place: Mumbai  
Date: 3<sup>rd</sup> May, 2022

For and on behalf of the Boards of Directors

Sd/-

**Rakesh Mehra**  
Chairman  
DIN: 00467321

### Annexure-III to Director's Report

#### CORPORATE GOVERNANCE REPORT

The Company has complied with the requirements of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations).

The "Corporate Governance" refers to the way a corporation is governed. It is the technique by which companies are directed and managed. The Corporate Governance structure specifies the distribution of the role and responsibilities of different participants, such as, the Board, Committees, Key Managerial Personnel (KMP), Senior Management Personnel (SMP), Shareholders and other stakeholders in the organization. It also spells out the rules and procedures for decision making pertaining to corporate affairs. The Company has a strong legacy of fair, transparent and ethical governing practices for achieving long term goals and to enhance stakeholders' value.

#### I. COMPANY'S PHILOSOPHY

Banswara Syntex Limited (the Company) is committed to achieve and sustain high standards of Corporate Governance practices and adherence thereto, in letter and spirit at all times, which go beyond mere regulatory compliances. The Company is also committed to maintain the highest level of transparency, accountability and equity in all facets of its operations. It firmly believes that Corporate Governance is about the management of an organization based on ethical business principles and commitment to values and that the same are in force at all levels within the Company. The Corporate Governance model adopted by the Company consists of a set of rules, procedures and standards with the aim of establishing efficient and transparent operations, within the organization, to protect the rights and interests of the Company's shareholders and to enhance stakeholders' value while complying with the provisions of law in all dealings with Government, customers, suppliers, employees and other stakeholders. It is also intended to ensure attractive returns to all stakeholders of the business based on the premise that sound Corporate Governance is the pre-requisite to success, sustainable growth and long-term value creation.

#### II. BOARD OF DIRECTORS

The Board of Directors has an optimum combination of Executive and Non-Executive Directors, which includes Independent Woman Director and is in conformity with the provisions of the Companies Act, 2013 (the Act) and Regulation 17 of the SEBI Listing Regulations. As on the date of this Report, the Board comprises of twelve Directors out of which, three are Executive Directors all are from Promoter group and nine are Non-Executive Independent Directors including one Independent Woman Director. The Chairman of the Company is an Executive Director and from Promoter group of the Company.

All of the Independent Directors have independent in character and judgment of the management of the Company and free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

The Board provides leadership, strategic guidance, objective analysis and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and accountability.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the management.

None of the Directors on the Board is a Member of more than ten Committees and the Chairperson in more than five Committees, across all companies in which they are Directors.

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

- **Executive Directors (EDs)**

The remuneration as per their terms of appointment and reimbursement of expenses actually incurred for the business of the Company, within the approved terms and conditions.

- **Non-Executive Independent Directors (NEIDs)**

The reimbursement of travelling and out-of-pocket expenses along-with payment of sitting fees for the Board / Committee meetings attended by them.

**a. Composition of the Board of Directors as on 31<sup>st</sup> March, 2022 and attendance at the Board meetings during financial year 2021-22**

<b>Name of the Director</b>	<b>Attendance at last AGM</b>	<b>No. of Board meetings attended</b>	<b>*No. of Directorships in other Companies</b>	<b>**No. of other Board Committees of which Chairperson / Member</b>		<b>List of Directorship held in Other Listed Companies and Category of Directorship</b>
				<b>Chairperson</b>	<b>Member</b>	
<b>Executive Directors–Promoter Group</b>						
Shri Rakesh Mehra -Chairman DIN:00467321	Yes	4	4	-	-	-
Shri Ravindra Kumar Toshniwal Managing Director DIN:00106789	Yes	4	3	-	-	-
Shri Shaleen Toshniwal Joint Managing Director DIN:00246432	Yes	4	3	-	-	-
<b>Non-Executive Independent Director</b>						
Shri Parduman V. Kumar DIN:00179074	Yes	4	1	2	0	•N.R.Agarwal Industries Ltd.(ID)
Shri Kamal Kishore Kacholia DIN:00278897	No	3	3	-	-	-
Shri Vijay Mehta DIN:00057151	Yes	4	6	-	-	•Mefcom Capital Markets Ltd.(ED)
Shri. Devendra Pal Garg, DIN:00003068	No	4	2	-	-	-
Dr. Shri Bhagwan Agarwal, DIN:00524452	No	4	3	-	-	-
Shri Vijay Kumar Agarwal, DIN:00108710	No	3	14	-	-	-
Dr. Vaijayanti Ajit Pandit, DIN:06742237	Yes	4	6	1	5	•Indo Count Industries Ltd.(ID) •Automobile Corporation of Goa Ltd.(ID) •IG Petrochemicals Ltd.(ID) •Everest Kanto Cylinder Ltd.
Shri Jagdeesh Mal Mehta, DIN:00847311	Yes	4	1	-	1	•Technocraft Industries (India) Ltd.(ID)
Shri Mr. David Vlerick DIN:07679476	Yes	4	1	-	-	-

\*The Directorships held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies.

\*\*Chairmanship(s) / Membership(s) only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

**b. Changes in the Board during the year**

During the year under review, there was no change in the constitution of the Board of Directors of the Company and no Independent Director has resigned before expiry of his / her tenure.

**c. Meetings of the Board**

During the year under review, four Board Meetings were held on the following dates: 18<sup>th</sup> June, 2021, 10<sup>th</sup> August, 2021, 30<sup>th</sup> October, 2021 and 3<sup>rd</sup> February, 2022.

**d. Board Procedure**

The members of the Board are provided with the requisite information as per provisions of the Act the Listing Regulations and Secretarial Standard 1on Meetings of the Board of Directors as issued by ICSI well before the Board meetings.

The Board considers all the matters which are statutorily required to be considered by it. In addition, following issues are also discussed at the meetings of the Board:

- Annual operating and capital expenditure budgets and periodical reviews thereof.
- Investment/expansion/modernization/diversification plans of the Company.
- Overall strategy and business plans.
- Approval of quarterly/half-yearly/annual results (after review by Audit Committee)
- Compliance with statutory/regulatory requirements and review of major pending legal cases.
- Show cause and demand notices as also the materially important, prosecutions and penalties, if any.
- Non-compliance of any regulatory, statutory or listing requirement and obligations to shareholders such as non-payment of dividend, delay in share transfers, etc.
- Sale of investments, subsidiaries and other assets, of material nature, which are not in normal course of business.
- Foreign exchange exposure and risks.
- Major accounting practices, provisions and write-offs/write backs.
- Transactions pertaining to acquisition/disposal of fixed assets, intellectual property rights and related parties.
- Review of working of various Committees of the Board
- Periodical review of various Policies and implementation thereof
- Appointment of the Statutory, Cost and Internal Auditors
- Issues regarding mergers and amalgamations, joint ventures, collaborations, etc. with any other Company/ entity.
- Significant labour problems, if any.
- General industrial environment and developments related to Textile Industry, in particular.

**e. Shareholdings of Directors as on 31<sup>st</sup> March, 2022**

<b>Name of the Director</b>	<b>Number of shares</b>
Shri Rakesh Mehra	6,061
Shri Ravindra Kumar Toshniwal	22,48,667
Shri Shaleen Toshniwal	21,40,745
Shri Devendra Pal Garg	500
Shri Vijay Mehta	500
Shri Jagdeesh Mal Mehta	205

**f. Familiarization programme for Independent Directors**

During the year under review, the Company continued the practice of familiarizing the Independent Directors about the Company's policies and procedures. Presentations/briefings were also made at the meetings of the Board of Directors/ Committees by KMP/ SMP of the Company on industry scenario, Company's operating and financial performance, raw material scenario, industrial relations status, marketing strategies, risk management, etc. Two Familiarization Programmes for the Independent Directors were conducted during the year.

The details of Familiarization Programmes imparted to Independent Directors are furnished on the Company's website at [https://www.banswarasyntex.com/wp-content/uploads/2022/06/Fam\\_Prg\\_ID\\_2022.pdf](https://www.banswarasyntex.com/wp-content/uploads/2022/06/Fam_Prg_ID_2022.pdf)

**G. Areas of Skills/Expertise/Competence.**

Name of the Director	Leadership	Strategy	Operations	Technology	Finance	Governance	Government/Regulatory Affairs
Shri Rakesh Mehra	√	√	√	√	√	√	√
Shri Ravindra Kumar Toshniwal	√	√	√	√	√	√	√
Shri Shaleen Toshniwal	√	√	√	√	√	√	√
Shri Parduman V. Kumar	√	√	-	-	√	√	√
Shri Kamal Kishore Kacholia	-	√	√	-	√	√	√
Shri Vijay Mehta	-	√	-	-	√	√	√
Shri. Devendra Pal Garg	-	√	-	-	√	√	√
Dr. Shri Bhagwan Agarwal	-	√	√	-	√	√	-
Shri Vijay Kumar Agarwal	-	-	√	√	√	-	√
Dr. Vaijayanti Ajit Pandit	-	√	√	√	-	√	√
Shri Jagdeesh Mal Mehta	√	√	-	√	√	-	-
Shri Mr. David Vlerick	-	-	-	√	√	√	-

**3. COMMITTEES OF THE BOARD**

The Board Committees are set up to carry out clearly defined roles to be performed by members of the Board, as a part of good governance practice. The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and require a closer review. The Board Committees are formed with approval of the Board and function within their terms of reference. The Board Committees play a pivotal role in the overall Management of day-to-day affairs and governance of the Company. The composition, terms of reference, attendance and other details of these Committees are mentioned later in this Report.

The Minutes of proceedings of Committee meetings are circulated to the respective members of the Committee and placed in the Board meetings for noting. The Board has currently constituted the following Committees:

**A. AUDIT COMMITTEE**

The composition, role, terms of reference as well as powers of the Committee are in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. All the members of the Audit Committee are financially literate. The Audit Committee acts as a link between the Auditors and the Board of Directors. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's mandate is to oversee the accounting and financial reporting process of the Company, audits of the Company's financial statements, the appointment, independence and performance of the auditors.

**(i) Composition**

The Committee comprises five members including four Non-Executive Independent Directors and one Executive Director, as on the date of this Report.

The composition of the Committee, category of its members, their attendance at the meetings held during the year under review are given below:

Name of the Member	Category	Number of Meetings- 2021-22	
		Held	Attended
Shri Parduman V. Kumar - Chairman	NEID	4	4
Shri Kamal Kishore Kacholia	NEID	4	3
Dr. Shri Bhagwan Agarwal	NEID	4	4
Shri Jagdeesh Mal Mehta	NEID	4	4
Shri Ravindra Kumar Toshniwal	ED	4	4

## **(ii) Meetings**

During the year under review, four meetings of the Committee were held on the following dates: 18<sup>th</sup> June, 2021, 10<sup>th</sup> August, 2021, 30<sup>th</sup> October, 2021 and 3<sup>rd</sup> February, 2022.

At the invitation of the Committee, the Chairman, Chief Financial Officer, Statutory Auditors, Chief Internal Auditor and Company Secretary, who also acts as the Secretary to the Committee, attend the meetings along-with representatives of the concerned departments if necessary to answer/clarify the specific points, raised by the Committee members or Statutory Auditors at the meetings as also to generally assist the Committee in its deliberations. Shri Parduman V. Kumar, Chairman of the Committee attended the Annual General Meeting held on 24<sup>th</sup> September, 2021.

## **(iii) Terms of reference**

The terms of reference of this Committee includes those specified under Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations in consonance with the provisions of Section 177 of the Act. The brief descriptions of terms of reference of the Committee, *inter-alia*, include the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements is correct, sufficient and credible.
- Recommending the appointment/re-appointment/replacement, if required, of Statutory Auditors, fixation of audit fees and approval of payments for any other services.
- Reviewing with management, the annual Financial Statements before submission to the Board for approval with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement are included in the Directors' Report in terms of sub-section 3C of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to Financial
  - Compliance with listing and other legal requirements relating to Financial Statements;
  - Disclosure of related party transactions; and
  - Un-modified opinion(s) in draft audit report
- Reviewing with management, quarterly Financial Statements before submission to the Board for approval;
- Review and monitor the Auditor's independence and performance and effectiveness of Audit process;
- Reviewing performance of Statutory and Internal Auditors, adequacy of the internal control systems;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Monitoring the end use of funds raised through public offers and related matters;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation and review of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;

- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm length pricing basis and to review and approve such transactions subject to the approval of the Board;
- To review the functioning of the Whistle Blower mechanism;
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate.

## **B. NOMINATION AND REMUNERATION COMMITTEE**

The composition, role, terms of reference as well as powers of the Committee are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

### **(i) Composition**

The Committee comprises three Non-Executive Independent Directors as on the date of this Report.

The composition of the Committee, category of its members and their attendance at the Committee meetings held during the year under review are given below:

<b>Name of the Member</b>	<b>Category</b>	<b>Number of Meetings- 2021-22</b>	
		<b>Held</b>	<b>Attended</b>
Shri Parduman V. Kumar - Chairman	NEID	2	2
Shri Devendra Pal Garg	NEID	2	2
Dr. Vaijayanti Ajit Pandit	NEID	2	2

### **(ii) Meetings**

During the year under review, two meetings of the Committee were held on the following dates: 17<sup>th</sup> June, 2021 and 30<sup>th</sup> October, 2021.

Shri Parduman V. Kumar, Chairman of the Committee attended the Annual General Meeting of the Company held on 24<sup>th</sup> September, 2021 to answer the Shareholders' queries.

### **(iii) Terms of reference**

The terms of reference of this Committee includes those specified under Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations in consonance with the provisions of Section 178 of the Act. The brief descriptions of terms of reference of the Committee, *inter-alia*, include the following:

- Succession planning of the Board of Directors and other KMP
- To formulate the criteria for qualifications, positive attributes and independence for appointment as a Director/ KMP and to recommend to the Board a policy relating to the appointment of as well as the remuneration for Directors, KMP, SMP and other employees.
- To identify persons who are qualified and competent to become Directors and also those who may be appointed as KMP and SMP, in accordance with the criteria laid down and recommend their appointment to the Board besides recommending removal of any Director, KMP or SMP after consideration of a specific proposal/recommendation/reference made by appropriate authority.
- Formulation of the criteria for evaluation of performance of Independent Directors and the Board of Directors, as a whole.

- To recommend extension/continuation of the term of appointment of any Independent Director, on the basis of the report of performance evaluation by other Independent Directors.
- Review the performance of the Board of Directors and other SMP in accordance with the criteria laid down
- Devising policy on the diversity of the Board
- To oversee the matters pertaining to HR Policies

### **Nomination and Remuneration Policy**

The Board has formulated the Remuneration Policy as under:

#### **a. Structure of Remuneration for the Whole-time Directors, KMP and SMP**

The Whole-time Directors, KMP and SMP receive salary and other perquisites as approved by the competent authorities. The Perquisites include other allowances and specified facilities. The total emoluments comprise fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- Overall position and envisaged role in the organization
- Scope of duties and nature of responsibilities
- Level of skills, knowledge and experience
- Core performance requirements and expectations from the concerned individual
- The Company's plans, projected performance and strategy for growth
- Knowledge & experience of Legal and Industrial Obligations

#### **b. Structure of Remuneration for Non-Executive Independent Directors**

Non-Executive Independent Directors are being paid sitting fees for attending meetings of the Board of Directors and the Committees thereof, besides reimbursement of travelling, incidental and out of pocket expenses, actually incurred, for attending the Board/ Committee meetings as well as General Meetings or other events, if any, related to the Company's affairs.

Any increase in the maximum aggregate remuneration payable to Whole-time Directors and Non-Executive Independent Directors beyond limits permissible under the Act is subject to approval of the Shareholders at the General Meeting by way of Special Resolution and/or the Central Government, as may be applicable.

#### **c. Structure of Remuneration for Other Employees**

A broad structure for remuneration to other employees has been framed with operational guidelines. The power for fixing the actual remuneration has been delegated to the President with reporting requirement to the Managing Director.

The details of Nomination and Remuneration Policy are available on the Company's website and the web-link is at [http://www.banswarasynTEX.com/wp-content/uploads/2019/05/NOMINATION\\_POLICY.pdf](http://www.banswarasynTEX.com/wp-content/uploads/2019/05/NOMINATION_POLICY.pdf)

#### **d. Board Evaluation**

The Committee reviewed the performance of the individual Directors. In the Board meeting that followed the meeting of the Independent Directors and the meeting of the Committee, the performance of the Board, its Committees, and individual directors were discussed. The brief details on performance evaluation of the Board and its Committees and individual Directors are given in the Board's Report.

#### **e. Performance evaluation criteria for Independent Directors**

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders and in accordance with the duties and obligations imposed upon them. The brief details on performance evaluation criteria the Independent Directors are given in the Board's Report.

## DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2021-22

### Remuneration of Directors

The Executive Directors are paid remuneration in accordance with the limits prescribed under the Act and the Remuneration Policy of the Company. Such remuneration is considered and approved by the Nomination and Remuneration Committee, the Board of Directors and the Shareholders of the Company. The details of remuneration paid to the Executive Directors for the financial year 2021-22 are as follows:

(₹ in Lakhs)

<b>Name of the Director</b>	<b>Salary (₹)</b>	<b>Contribution to PF, Perquisites &amp; other payments (₹)</b>	<b>Total (₹)</b>
Shri Rakesh Mehra	156	68.14	224.14
Shri Ravindra Kumar Toshniwal	96	42.28	138.28
Shri Shaleen Toshniwal	87	43.60	130.60
<b>Total</b>	<b>339</b>	<b>154.03</b>	<b>493.03</b>

There is no severance fee or stock option in the case of the aforesaid Executive Directors. The respective tenure of the aforesaid Executive Directors shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of three months by either side.

The Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. The details of remuneration paid to the Non-Executive Directors for the financial year 2021-22 are as follows:

(₹ in Lakhs)

<b>Name of the Director</b>	<b>Amount (₹)</b>
Shri Parduman V. Kumar	6.40
Shri Kamal Kishore Kacholia	4.20
Shri Vijay Mehta	4.20
Shri Devendra Pal Garg	3.80
Dr. Shri Bhagwan Agarwal	6.00
Shri Vijay Kumar Agarwal	2.20
Dr. Vaijayanti Ajit Pandit	4.80
Shri Jagdeesh Mal Mehta	5.00
Shri David Vlerick	2.80

None of the Non-Executives Directors have any material financial interest in the Company apart from the remuneration by way of fees received by them.

### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition, role, terms of reference as well as powers of the Committee are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

#### (i) Composition

The Committee comprises three Non-Executive Independent Directors as on the date of this Report.

Shri H.P Kharwal, Company Secretary, is the Secretary of the Committee. He also acts as the Compliance Officer and Nodal Officer of the Company for the purpose of investors' complaints/grievances.

The composition of the Committee, category of its Members and their attendance at the meetings held during the year under review are given below:

Name of the Member	Category	Number of Meetings- 2021-22	
		Held	Attended
Shri Parduman V. Kumar -Chairman	NEID	1	1
Shri Kamal Kishore Kacholia	NEID	1	1
Shri Vijay Mehta	NEID	1	1

#### **(ii) Meetings**

During the year under review, one meeting of the Committee was held on 17<sup>th</sup> June, 2021.

#### **(iii) The terms and reference**

The terms of reference of this Committee includes those specified under Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations in consonance with the provisions of Section 178 of the Act. The brief descriptions of terms of reference of the Committee, *inter-alia*, include the following:

- To consider and resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- To review the measures taken for effective exercise of voting rights by shareholders.
- To review the adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### **(iv) Disposal of complaints**

A summary of grievances received and resolved by the Company to the satisfaction of the shareholders/investors during the year under review, is given below:

Particular	Number
No. of complaints pending at the beginning of the year	0
No. of complaints received during the year	1
No. of complaints resolved during the year	1
No. of complaints pending during the year	0

The Shareholders' complaints are being promptly attended to and disposed of well within one month of the receipt thereof and there is no complaint pending. It is further confirmed that all complaints were resolved to the satisfaction of Shareholders.

### **D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The composition, role, terms of reference as well as powers of the Committee are in compliance with the requirements of Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014.

#### **(i) Composition**

The Committee comprises three Non-Executive Independent Directors and one Executive Director as on the date of this Report.

The composition of the Committee, category of its Members and their attendance at the meetings held during the year under review are given below:

<b>Name of the Member</b>	<b>Category</b>	<b>Number of Meetings- 2021-22</b>	
		<b>Held</b>	<b>Attended</b>
Shri Vijay Mehta - Chairman	NEID	2	2
Dr. Shri Bhagwan Agarwal	NEID	2	2
Dr. Vaijayanti Ajit Pandit	NEID	2	2
Shri Shaleen Toshniwal	ED	2	2

**(ii) Meetings**

During the year under review, two meetings of the Committee were held on the following dates: 17<sup>th</sup> June, 2021, and 3<sup>rd</sup> February, 2022.

**(iii) Terms and reference**

- To review the existing CSR policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified under schedule-VII of the Act;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor progress in implementation thereof;
- To recommend the Annual Budget for CSR expenditure also to monitor the Budgeted versus actual expenditure on CSR activities;
- To review the implementation of approved projects.

**E. MEETING OF INDEPENDENT DIRECTORS**

As required under the provisions of Act and Regulation 25 of the SEBI Listing Regulations, a separate meeting of Independent Directors of the Company was held on 18<sup>th</sup> June, 2021, which was attended by all Independent Directors.

**Terms and reference**

- Review of the performance of non-Independent Directors and the Board as a whole;
- Review of the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors; and
- Assessment of the adequacy 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.

**4. GENERAL BODY MEETINGS**

**(i) Annual General Meetings (AGM)**

The last three AGM of the Company were held within the statutory time period and the details including the Special Resolutions passed therein, are given below:

Financial Year	Date	Time	Venue	No. of Special Resolution
2018-19	27 <sup>th</sup> Sept., 2019	11.00 A.M.	Regd. Office: Indl. Area, Dahod Road, Banswara –327 001	Nil
2019-20	18 <sup>th</sup> Sept., 2020	11.30 A.M.	Via Video-Conferencing (VC)/Other Audio-Visual Means (OAVM) Deemed Venue: Regd. Office i.e. Indl. Area, Dahod Road, Banswara –327 001	<ul style="list-style-type: none"> <li>Appointment of Shri Rakesh Mehra as Chairman and Whole time Director.</li> <li>Re-appointment of Dr. Vaijayanti Ajit Pandit as an Independent Director</li> </ul>
2020-21	24 <sup>th</sup> Sept., 2021	11.00 A.M.	Via Video-Conferencing (VC)/Other Audio-Visual Means (OAVM) Deemed Venue: Regd. Office i.e. Indl. Area, Dahod Road, Banswara –327 001	<ul style="list-style-type: none"> <li>Re-appointment of Shri Jagdeesh Mal Mehta as an Independent Director for the second term of five consecutive years effective from 27<sup>th</sup> October, 2021 up to 26<sup>th</sup> October, 2026.</li> <li>Continue of the first term of five consecutive years of Shri Devendra Pal Garg as an Independent Director, who has attained the age of Seventy-five years, as a Director.</li> <li>Loan given to Tesca Textiles &amp; Seat Componetns (India) Pvt. Ltd. Joint Venture of the Company.</li> </ul>

#### **(ii) Extraordinary General Meeting (EGM)**

No EGM was held during the last three financial years i.e. 2018-19, 2019-20 and 2020-21.

#### **(iii) Postal Ballot**

No Special Resolution was passed in the last year through postal ballot and at present no Special Resolution is proposed to be conducted through postal ballot.

### **5. DISCLOSURES**

#### **a. Related Party Transactions**

The Company has entered into certain transactions with its Promoters, Directors and the Management related parties in the ordinary course of business as approved by the Audit Committee or Board of Directors, these transactions do not have any potential conflict with the interests of the Company at large. The Company has complied with the mandatory requirements of Regulation 23 of the SEBI Listing Regulations, as also with the requirements of Indian Accounting Standard and the Act.

The details on Related Party Transactions Policy are available on the Company's website at  
[https://www.banswarasyntex.com/wp-content/uploads/2022/06/REL\\_PTY\\_TRN\\_POLICY\\_REV.pdf](https://www.banswarasyntex.com/wp-content/uploads/2022/06/REL_PTY_TRN_POLICY_REV.pdf)

#### **b. Statutory Compliance, Penalties and Strictures**

The Company is in compliance with the requirements of the Stock Exchanges, the SEBI and Statutory Authorities on all matters related to the capital markets. No penalty or strictures were imposed on the Company by any of these authorities during the last three years.

#### **c. Whistle Blower Policy /Vigil Mechanism**

The Company has a Vigil Mechanism and a Whistle blower Policy in place to develop a culture where-in it is possible for all employees to raise concern about any poor or unacceptable practice, as also to adhere to the highest standards of ethics, moral and legal and conduct of business operations. The Vigil (Whistle Blower)

Mechanism provides a channel to the employees and Directors to report to the management about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or the policy. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. None of the employees of the Company have been denied access to the Audit Committee.

The whistle blower policy is available on the Company's website at [http://www.banswarasyntex.com/wp-content/uploads/2019/05/VIGIL\\_MECH\\_WB\\_POLICY.pdf](http://www.banswarasyntex.com/wp-content/uploads/2019/05/VIGIL_MECH_WB_POLICY.pdf)

**d. CEO/CFO Certification**

The Chief Executive Officer & Managing Director and Chief Financial Officer of the Company have furnished annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations and they have also given quarterly certification on the financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI Listing Regulations. The annual certification, forms part of this Report.

**e. Review of Directors' Responsibility Statement**

The Board, in its report, has confirmed that the annual accounts for the year ended 31<sup>st</sup> March, 2022 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

**f. Recommendations of the Committee**

During the year under review, all the recommendations of the Committees of the Board, have been accepted by the Board of Directors.

**g. Code of Conduct**

The Company has laid down a code of conduct for the Directors and Senior Management Personnel of the Company in terms of the Regulation 26 (3) read with Part D of Schedule V of the SEBI Listing Regulations. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Managing Director of the Company, forms part of this Report.

**h. Certificate from Company Secretaries**

M/s V.M. & Associates, Company Secretaries, has issued a certificate as required under the SEBI Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The said Certificate is annexed as **Annexure-A** to this Report.

**i. Compliance with the SEBI Listing Regulations**

The Company has obtained a certificate from M/s V.M. & Associates, Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Regulations 17 to 27 of the SEBI Listing Regulations. The said Corporate Governance Certificate is annexed as **Annexure-B** to this Report.

**j. Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The disclosures regarding the complaints of sexual harassment are given in the Board's Report.

**k. Consolidated Fees paid to Statutory Auditors**

During the year under review, the total fees for all services paid by the Company on a consolidated basis to KG Somani & Co. LLP, Chartered Accountants, Statutory Auditors of the Company is as under:

Particulars	Amount (₹ in Lakhs)
As auditors (Statutory Audit)	22.50
For other services	0.53
<b>Total</b>	<b>23.03</b>

## 6. MEANS OF COMMUNICATION

### Financial Results

The quarterly, half- yearly and annual results , as approved by the Board of Directors, are submitted to the Stock Exchanges and published in newspapers viz: Rajasthan-Patrika / Dainik-Bhaskar/ Nafa-Nuksan / Business-Remidies (Hindi) and Business Standard/ Financial Express (English).

### News Releases

Information is released to the press at the time of declaration of financial results which are sent to BSE Limited(BSE) and National Stock Exchange of India Limited (NSE), where the shares of the Company are listed.

### Periodicals

The Company's news and reports regarding its plans, activities, working results, etc. appear in financial papers, journals, etc. once in a while.

### Annual Report

Annual Report containing, *inter-alia*, Notice of Annual General Meeting, Board's Report, Audited Financial Statements (Standalone and Consolidated), Report on Corporate Governance, Management Discussion and Analysis and other information which form part of the Annual Report, is sent to all the Shareholders of the Company.

### Website

The Company has a website under the name [www.banswarasyntex.com](http://www.banswarasyntex.com) which contains information regarding the history of the Company, its shareholding pattern, investors'up-date, various policies, Institutional Investor Conference-call/Institutional analysis Meets, Investor Presentations, the Company's products, its achievements, various other important news and latest information related to the Company's activities, progress and current events etc.

### Interaction with Institutional investors, analysts etc.

The Company conducts regular meetings and conference calls between its Management and the institutional investors, analysts etc. The quarterly/annual financial results and press releases are sent to all institutional investors, analysts who are registered in the Company's database, to keep them abreast of all significant developments. The investor presentations made to institutional investors or analysts are displayed on the Company's website.

## 7. GENERAL SHAREHOLDER'S INFORMATION

### i. Annual General Meeting (to be held)

Date: Saturday, the 30<sup>th</sup> July, 2022

Time: 4.30 P.M.

Venue: Industrial Area, Dahod Road, Post Box no. 21,  
Banswara-327001, Rajasthan

### ii. Financial Year (Tentative Calendar of events)

Financial Year: 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023.

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

Particular of Quarter	Tentative dates*
First Quarter Results	On or before August 14, 2022
Second Quarter & Half Yearly Results	On or before November 14, 2022
Third Quarter & Nine-months ended Results	On or before February 14, 2023
Fourth Quarter & Annual Results	On or before May 30, 2023

\*or such other date as may be allowed by the SEBI and the MCA.

**iii. Dates of Book Closure**

The Register of Members and Share Transfer Books of the Company shall remain closed from Sunday, the 24<sup>th</sup> July, 2022 to Saturday, the 30<sup>th</sup> July, 2022 (both days inclusive).

**iv. Dividend Payment (Tentative date)**

Dividend for the year 2021-22, if approved by the Shareholders, will be paid on or after 4<sup>th</sup> August, 2022.

**v. Listing of Equity Shares on Stock Exchanges**

The Company's Shares are listed on:

- BSE  
Floor 25, P.J.Towers, Dalal Street, Mumbai- 400 001
- NSE  
"Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400 051

The requisite annual listing fees have been paid to these the Stock Exchanges for the financial year 2022-23.

**vi. Stock Code**

Number in NSDL and CDSL for equity shares - ISIN INE629D01012

BSE - 503722

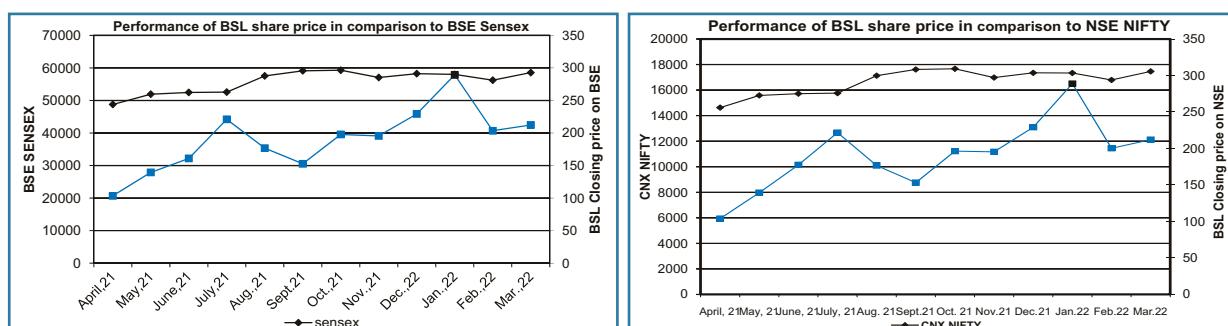
NSE - BANSWRAS

**vii. Stock Market Price Data**

Monthly high/low market prices of the Company's equity shares traded on BSE and NSE during the last financial year are as follows:

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2021	109.00	82.20	115.00	86.25
May, 2021	140.90	97.50	141.85	99.05
June, 2021	192.00	134.35	191.75	135.15
July, 2021	234.90	152.00	234.90	200.95
August, 2021	255.85	158.25	256.60	158.25
September, 2021	184.90	140.70	185.00	141.80
October, 2021	214.00	156.85	207.00	155.15
November, 2021	219.70	177.30	217.70	178.10
December, 2021	255.00	190.35	255.00	193.70
January, 2022	318.00	224.50	319.00	227.05
February, 2022	316.55	189.50	316.80	186.20
March, 2022	242.00	186.10	243.00	185.00

Performance of the Company's Shares in comparison to BSE & NSE



### viii. Registrar & Share Transfer Agent

Computech Sharecap Limited  
 147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery,  
 Fort, Mumbai-400 001  
 Tel: 022-22635000-01, Fax: 022-22635005  
 e-mail: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in) Website: [www.computechsharecap.in](http://www.computechsharecap.in)

### ix. Share Transfers System

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, the Company has stopped accepting any fresh transfer requests for securities held in physical form. Accordingly, securities of listed companies can be transferred only in dematerialised form.

Further, SEBI has, vide its circular dated 25<sup>th</sup> January, 2022, mandated companies to issue its securities in demat form only while processing various service requests such as issue of duplicate share certificates, sub-division, consolidation, transmission, etc. to enhance ease of dealing in securities markets by investors. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website.

In view of the aforesaid, Members who are holding shares in physical form are hereby requested to convert their holdings in electronic mode to avail various benefits of dematerialisation.

Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates, on yearly basis have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by the Company. Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, certificates have been received from a Company Secretary-in-Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### x. Distribution of Shareholding

#### i. Shareholding Pattern as on 31<sup>st</sup> March, 2022

Category	Number of Shares held	Shareholding (%)
Promoters & Promoter Group	10052979	58.73
Mutual Funds	0.00	0.00
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions, Non-Government Institutions)	450	0.00
Foreign Institutional Investors	1947233	11.38
Private Corporate Bodies	1265766	7.40
Indian Public	3739106	21.85
NRIs/OCBs/Foreign Nationals	110508	0.64
Any other	0.00	0.00
<b>Grand Total</b>	<b>17116042</b>	<b>100.00</b>

**ii. Distribution of Shareholding as on 31<sup>st</sup> March, 2022**
**(a) Number-wise**

No. of Shares	No. of Shareholders	Shareholders (%)	No. of Shares held	Voting Strength (%)
1 to 500	9,018	90.27	793,819	4.64
501 to 1000	416	4.16	3,26,189	1.90
1001 to 2000	235	2.35	3,50,663	2.05
2001 to 3000	104	1.04	2,69,710	1.58
3001 to 4000	28	0.28	98,739	0.58
4001 to 5000	41	0.41	1,92,222	1.12
5001 to 10000	63	0.63	4,79,454	2.80
10001 & above	86	0.86	14,605,246	85.33
<b>Total</b>	<b>9,991</b>	<b>100.00</b>	<b>1,71,16,042</b>	<b>100.00</b>

**(b) Categorywise**

No. of Shares	No. of Shareholders	Shareholders (%)	No. of Shares held	Voting Strength (%)
Physical	2,790	27.93	252158	1.47
Electronic	7,201	72.07	16863884	98.53
<b>Total</b>	<b>9,991</b>	<b>100.00</b>	<b>17116042</b>	<b>100.00</b>

**x. Relationship among Directors**

Except as detailed below, other Directors do not have any relationship with each other.

Name of Director	Relationship
Shri Rakesh Mehra - Chairman	<ul style="list-style-type: none"> <li>• Shri Ravindra Kumar Toshniwal-Brother in Law</li> <li>• Shri Shaleen Toshniwal-Brother in Law</li> </ul>
Shri Ravindra Kumar Toshniwal - Managing Director	<ul style="list-style-type: none"> <li>• Shri Shaleen Toshniwal-Brother</li> <li>• Shri Rakesh Mehra-Brother in Law</li> </ul>
Shri Shaleen Toshniwal - Jt. Managing Director	<ul style="list-style-type: none"> <li>• Shri Ravindra Kumar Toshniwal-Brother</li> <li>• Shri Rakesh Mehra-Brother in Law</li> </ul>

**xii. Dematerialization of Shares and Liquidity**

The Company's shares are available for dematerialization on both the Depositories viz. NSDL and CDSL. Shares of the Company are to be delivered compulsorily in the demat form on Stock Exchanges by all investors. Shares representing 98.53% of the Paid-up Capital have so far been dematerialized by Investors.

**xiii. Outstanding GDRs / ADRs / Warrants and Convertible Instruments**

During the year under review, the Company has not issued any GDRs/ADRs/Warrants or any other instrument which is convertible into Equity Shares of the Company.

**xiv. Plant Locations**

a.	Banswara Syntex Ltd. Banswara Syntex Ltd. Unit – BTM Banswara Syntex Ltd. Unit - BFL Banswara Syntex Ltd. Unit – BJF Banswara Syntex Ltd. Unit – TPP	Industrial Area, Dahod Road, Banswara-327 001, Rajasthan
b.	Banswara Syntex Ltd. Readymade Garment Unit - I "Banswara Garments"  Readymade Garment Unit – II "Banswara Garments"  Readymade Garment Unit – III "Banswara Garments"  Readymade Garment Unit – IV "Banswara Garments"	98/3, Village Kadaiya, Nani Daman, Distt. DAMAN-396 210, Union Territory  Survey No.713/1, 713/2, 713/3, 725/2 and 725/1, Village Dabhel, Nani Daman, Dist. Daman-396 210, Union Territory  Survey No.81,82/1,90/1 & 90/2, Daman Industrial Estate Village Kadaiya, Daman, Daman & Diu-396 210, Union Territory  Plot No.85/3, 85/4, and 86/2, Village Kadaiya, Daman Industrial Estate, Nani Daman, DAMAN-396 210, Union Territory
c.	Banswara Syntex Ltd.	Plot No. 5 & 6, GIDC Apparel Park, SEZ-Sachin, Surat – 394 230, Gujarat

**xv. Address for Investor Correspondence****Banswara Syntex Limited**

CIN:L2430RJ1976PLC001684

<b>Registered Office:</b> Industrial Area, Dahod Road, Post Box No.21, Banswara-327 001, Rajasthan Tel. No. (02962) 257676, 257679-681 Fax. No. (02962) 240692	<b>Corporate Office:</b> 4th /5th Floor, Gopal Bhawan,199, Princess Street, Mumbai- 4000 002 Tel:022 66336571-76, Fax:022 22064486
<b>Email:</b> secretarial@banswarasyntex.com   <b>Website:</b> www.banswarasyntex.com	
<b>Computech Sharecap Limited</b> Unit :Banswara Syntex Limited 147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery, Fort, Mumbai -400 001 Tel:022-22635000-01, Fax: 022- 22635005 <b>Email:</b> helpdesk@computechsharecap.in   <b>Website:</b> www.computechsharecap.in	

**xvi. Disclosures pertaining to credit rating:**

The following are the Credit ratings obtained during the financial year under review.

<b>Rating Agency</b>	<b>Facilities Rated</b>	<b>Amount Rated</b>	<b>Rating Assigned</b>	<b>Date of Rating</b>
India Ratings & Research Ltd.	Long terms Rating	₹ 597.70 Crore	IND A-/Stable	28 <sup>th</sup> Dec., 2021
	Fixed Deposits Rating	₹ 40 Crore	IND tA-/Stable	28 <sup>th</sup> Dec., 2021

**xvii. Loans and advances in the nature of loans to firms/companies in which Directors are interested**

The Company has not given any loans or advances to any firm / company in which its Directors are interested.

**xviii. Non-Mandatory Requirements****a. The Board**

An office for the use of the Chairman is available.

**b. Shareholder's Rights:**

Half yearly financial results including summary of the significant events in last six months are presently not being sent to shareholders of the Company.

**c. Modified opinion(s) in audit report:**

There are no qualifications in the Auditors' report on the Financial Statements to the Shareholders of the Company.

**d. Separate posts of Chairman and CEO**

The Company has appointed Shri Rakesh Mehra as the Chairman and Shri Ravindra Kumar Toshniwal as the Managing Director & CEO of the Company.

**e. Reporting of Internal Auditor**

The Internal Auditors of the Company are directly reporting to Chief Internal Auditor (CIA) and the CIA is invited to the meetings of Audit Committee wherein, the CIA report directly to Audit Committee.

**THE DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND 46(2) OF THE SEBI LISTING REGULATIONS**

The Company has complied with all the mandatory Corporate Governance requirements under the SEBI Listing Regulations. The Company confirms compliance with Corporate Governance requirements specified in Regulations 17 to 27 and sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

**For and on behalf of the Boards of Directors**

Sd/-

**Rakesh Mehra**

Chairman

DIN:00467321

Place: Mumbai

Dated: 3<sup>rd</sup> May, 2022

## CEO and CFO CERTIFICATION

### Certificate from CEO and CFO for the Financial Year ended 31<sup>st</sup> March, 2022

We the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Banswara Syntex Limited ("the Company"), to the best of our knowledge and belief, certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended 31<sup>st</sup> March, 2022 and that, to the best of our knowledge and belief, we state that;
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading, and
  - b) these statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. We further state that, to the best of our knowledge and belief, no transactions, entered into by the Company during the year, are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a) significant changes, if any, in internal control over financial reporting during the year;
  - b) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system or financial reporting.

For **Banswara Syntex Ltd.**

Sd/-

**Ravindra Kumar Toshniwal**

Chief Executive Officer & Managing Director

Sd/-

**Pankaj Gharat**

Chief Financial Officer

Place: Mumbai

Dated: 3<sup>rd</sup> May, 2022

## DECLARATION FOR CODE OF CONDUCT

As provided under Regulation 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members, Key Managerial Personnel and Senior Management Staff have affirmed compliance with Banswara Syntex Limited Code of Conduct for the year ended 31<sup>st</sup> March, 2022.

For and on behalf of the Boards of Directors

Sd/-

**Ravindra Kumar Toshniwal**

Place: Mumbai

Dated: 3<sup>rd</sup> May, 2022

Managing Director

DIN:00106789

**Annexure -A****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members,  
Banswara Syntex Ltd.

Industrial Area, Dahod Road,  
Post Box No. 21, Banswara – 327001 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Banswara Syntex Ltd.** having **CIN: L24302RJ1976PLC001684** and having registered office at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327 001 (Rajasthan)(hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN
1.	Mr. Devendra Pal Madan Gopal Garg	00003068
2.	Mr. Vijay Mehta	00057151
3.	Mr. Ravindra Kumar Toshniwal	00106789
4.	Mr. Vijaykumar Jamnadhar Agarwal	00108710
5.	Mr. Parduman Vishwanath Kumar	00179074
6.	Mr. Shaleen Toshniwal	00246432
7.	Mr. Kamal Kishore Kacholia	00278897
8.	Mr. Rakesh Mehra	00467321
9.	Mr. Shri Bhagwan Agarwal	00524452
10.	Mr. Jagdeesh Mal Mehta	00847311
11.	Ms. Vaijayanti Ajit Pandit	06742237
12.	Mr. David Vlerick	07679476

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

Place: Jaipur  
Date: 3<sup>rd</sup> May, 2022  
UDIN: F003355D000259336

**For V. M. & Associates**  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)

PR 581 / 2019  
Sd/-

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

**Annexure-B****Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015****CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
 The Members,  
 Banswara Syntex Ltd.  
 Industrial Area, Dahod Road,  
 Post Box No. 21, Banswara – 327001 (Rajasthan)

1. We have examined the compliance of conditions of Corporate Governance of Banswara Syntex Ltd. ("the Company") for the year ended on March 31, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations"].

**Management's Responsibility for compliance with the conditions of SEBI's Listing Regulations**

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

**Our Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.
5. We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India ("ICSI").

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, and the representation 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 warranted due to the spread of the COVID-19 pandemic, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI's Listing Regulations.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place: Jaipur

Date: 3<sup>rd</sup> May, 2022

UDIN: F003355D000259303

**For V. M. & Associates**

Company Secretaries  
 (ICSI Unique Code P1984RJ039200)

PR 581 / 2019

Sd/-

**CS Manoj Maheshwari**

Partner FCS 3355  
 C P No.: 1971

## Annexure-IV to the Directors Report

### THE ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 (the Act) & Rules made thereunder]

#### 1. Brief outline on CSR Policy of the Company

Through sustainable measures, actively contribute to the Social, Economic and Environmental development of the community in which we operate ensuring participation from the community and thereby create value for the nation. The Company's focus on the following strategic areas:

- Health care
- Education
- Rural Development
- Gender Equality and Empowerment of Women
- Environmental Sustainability
- National Heritage, Art and Culture
- Disaster Response
- Contribution to Funds

#### 2. Composition of CSR Committee

Name of the Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
Shri Vijay Mehta	Chairman/Independent Director	2	2
Shri Shaleen Toshniwal	Member/Whole time Director	2	2
Dr. Shri Bhagwan Agarwal	Member/Independent Director	2	2
Dr. Vaijayanti Ajit Pandit	Member/Independent Director	2	2

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.banswarasyntex.com/investors/>

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).

In terms of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the requirement of conducting an impact assessment of its CSR Projects is not applicable to the Company.

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.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the Company as per Section 135(5) of the Act: **₹ 3246.11 Lakhs**

7. (a) Two percent of average net profit of the Company as per Section 135(5) of the Act: **₹ 65.00 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**

(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): **₹ 65.00 Lakhs**

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

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
Amount (₹ in Lakhs)	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of transfer
42.17	23.00	26-04-2022	Nil		

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (₹ in Lakhs)	(8) Amount spent in the current financial Year (₹ in lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (₹ in lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Construction of New Path Way Length 250 Mtrs Above Phase-II, 2nd Ghat at Nathlavl back	(iv)	Yes	Banswara (Rajasthan)		3yrs	37.40	15.19	23.00	Yes	NA	
				Total		37.40	15.19	23.00				

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Promoting education, incl. special education and employment enhancing vocation skills especially among children, women, elderly, and the differently able and livelihood enhancement projects	(ii)	Yes	Banswara (Rajasthan)		7.38	Yes	NA	
2.	Eradicating hunger, poverty and malnutrition (Promoting health care including preventive health care) Build Public Toilets & Making available safe drinking water	(i)	Yes	Banswara (Rajasthan)		0.15	Yes	NA	
3.	Contribution toward Swatch Bharat Mission	(iv)	Yes	Banswara (Rajasthan)		10.00	Yes	NA	
4.	Environmental Sustainability, economic balance	(iv)	Yes	Banswara (Rajasthan)		9.45	Yes	NA	
				Total		26.98			

(d) Amount spent in Administrative Overheads: **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 42.17 Lakhs**

(g) Excess amount for set off, if any: **Not Applicable**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Amount</b>
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

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

<b>Sl. No.</b>	<b>Preceding Financial Year</b>	<b>Amount transferred to Unspent CSR Account under Section 135 (6) of the Act (₹ in Lakhs)</b>	<b>Amount spent in the reporting Financial Year (₹ in Lakhs)</b>	<b>Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any</b>			<b>Amount remaining to be spent in succeeding financial years (₹ in Lakhs)</b>
				<b>Name of the Fund</b>	<b>Amount (₹ in Lakhs)</b>	<b>Date of transfer</b>	
1.	2020-21	32.00	24.16		Nil		7.84

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

<b>(1) Sl. No.</b>	<b>(2) Project ID.</b>	<b>(3) Name of the Project</b>	<b>(4) Financial Year in Which the project was commenced</b>	<b>(5) Project duration (in years)</b>	<b>(6) Total Amount allocated for the project (₹ in Lakhs)</b>	<b>(7) Amount spent on the project in the reporting Financial Year (₹ in Lakhs)</b>	<b>(8) Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)</b>	<b>(9) Status of the project - Completed /Ongoing</b>
1.	NTBR-01	Nathelaw	2020-21	3	32.50	24.16	24.66	Ongoing

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

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

**For and on behalf of the Boards of Directors**

Sd/-

**Ravindra Kumar Toshniwal**

Chief Executive Officer & Managing Director  
DIN:00106789

Sd/-

**Vijay Mehta**

Chairman - CSR Committee  
DIN:00057151

Date: 3<sup>rd</sup> May, 2022

Place: Mumbai

**Annexure - V to the Directors' Report****Form No. AOC-2**

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

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

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

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

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

Name of related party and Nature of Relationship	Nature of Contracts/ arrangements/ Transactions	Duration of the Contracts/ arrangements/ Transactions	Salient terms of the Contracts/ arrangements /Transactions	Monetary Value of Contracts/ arrangements/ Transactions (₹ in Crore)	Date(s) of approval by the Board	Amount paid as advance, if any
Tesca Textiles and Seat components (India) Private Limited, (Joint Venture Company)	Sale, purchase, job work or supply of any goods or materials availing or rendering of any services	One Year From 01.04.2022 to 31.03.2023	Arm's Length Basis/ Prevailing Market Price	50.00	3 <sup>rd</sup> February, 2022	NIL
Aanswr Fashion Private Limited	Sale, purchase, job work or supply of any goods or materials availing or rendering of any services	One Year From 01.04.2022 to 31.03.2023	Basis/ Prevailing Market Price	8.00	3 <sup>rd</sup> February, 2022	NIL

**For and on behalf of the Boards of Directors**

Sd/-

**Rakesh Mehra**

Chairman

DIN:00467321

Place: Mumbai

Date: 3<sup>rd</sup> May, 2022

**Annexure VI to the Directors' Report****Form No. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

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

To,

The Members,

Banswara Syntex Ltd

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31<sup>st</sup>, 2022('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31<sup>st</sup>, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Repealed w.e.f. 13<sup>th</sup> August, 2021) (**Not applicable to the Company during the Audit Period**)
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 Notified on 13<sup>th</sup> August, 2021 (**Not applicable to the Company during the Audit Period**);
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Repealed w.e.f. 9<sup>th</sup> August, 2021) (**Not applicable to the Company during the Audit Period**);
  - (g) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021 Notified on 9<sup>th</sup> August, 2021 (**Not applicable to the Company during the Audit Period**);

- (h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Repealed w.e.f. 10th June, 2021) **(Not applicable to the Company during the Audit Period);**
- (j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 Notified on 10th June, 2021 **(Not applicable to the Company during the Audit Period);**
- (k) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);** and
- (l) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the Company. We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

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

**We further report that**

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

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

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

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

**We further report that** during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For V.M. & Associates**

Company Secretaries

(ICSI Unique Code P1984RJ039200)

PR 581 / 2019

Sd/-

**CS Manoj Maheshwari**

Partner

Membership No.: FCS3355

CP No.: 1971

Place: Jaipur

Date: 3<sup>rd</sup> May, 2022

UDIN: F003355D000259237

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

**Annexure A**

To,  
The Members  
Banswara Syntex Limited  
Industrial Area, Dahod Road  
Banswara – 327 001 (Rajasthan).

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For V.M. & Associates**  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)

PR 581 / 2019  
Sd/-

**CS Manoj Maheshwari**  
Partner  
Membership No.: FCS3355  
C P No.: 1971

Place: Jaipur  
Date: 3<sup>rd</sup> May, 2022  
UDIN: F003355D000259237

## Annexure-VII to the Directors' Report

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo, as per Section 134(3) (m) of the Companies Act, 2013 and the Rules made thereon and forming part of the Directors' Report for the year ended March 31, 2022.

#### A) Conservation of Energy

##### (i) Step taken or impact on conservation of energy

All business units continued their efforts to improve energy usage efficiencies. Various key performance indicators like specific energy consumption (energy consumed per unit of production), specific energy costs were continuously tracked to monitor alignment with the Company's overall sustainability approach.

##### a. Energy Conservation measures taken Year (2021-22)

- (i) Installed 10 Nos New Motors in Carding machines as main motor to replace old derated motors. Thus, the saving of ₹ 1.59 Lakhs annually i.e. Replaced old derated motors of 5.5 kw with New IE3 energy efficient motor of 7.5 kw.
- (ii) Replaced 2 Nos old savio Autoconer with new Saurer X-6 Schlaforst Energy efficient machine. Thus, the saving of ₹ 8.76 Lakhs annually.
- (iii) Increased the 3 Nos Savio Machines spindles from 48 to 64 to increase the productivity of individual machines while considering the same connected motor KW and remove the 1 No autoconer while productivity remains same. Thus, the saving of ₹ 5 Lakhs annually.
- (iv) Increase the 2 Nos Cheese winding Machines spindles from 120 to 180 to increase the productivity of individual machines while considering the same connected motor KW and remove the 1 No Cheese winding machine and productivity remains same. Thus, the saving of ₹ 2 Lakhs annually.
- (v) Installation & Commission of 2.5 MLD STP for sewage water treatment, so that we reduce the fresh water use of 1.6 MLD by recycling the sewage water for use of DM plant. We also reduce the Energy

consumption of 750 Kwh/Day by stopping around 7 Borewells of fresh water inlet.

- (vi) Provide the separate compressor air line for MBBR water treatment plant and stop the use of separate Air blower of capacity 15KW. Thus, the Energy saving of 360 KWh/Day and Annual cost saving of ₹ 6.72 Lakhs annually.
- (vii) Installed 18.5 Kw Vfd New Lafer Rasing Exhaust Unit Saved:-21000 Kwh, Saving Per Year ₹ 1.50 Lakhs
- (viii) Installed 18.5 Kw Zonco Blower Unit Saved:-15000 Kwh, Saving Per Year : - ₹ 1.07 Lakhs
- (ix) Installed 18.5 Kw Lafer Suiding Exhaust Unit Saved:-21000 Kwh, Saving Per Year:- ₹ 1.50 Lakhs
- (x) Installed 4nos 0.75 Kw Sm 1 Scroll Unit Saved 10800 Kwh, Saving Per Year: - ₹ 0.77 Lakhs
- (xi) Installed 3.7 Kw Vfd Brukner Cooling Zone Unit Saved Per Year 6600, Saving Per Year:- ₹ 0.47 Lakhs
- (xii) Interlocking of existing Carding Fan Motor with Doffer motor to avoid idle running of Fan during Machine idle running ₹ 3.28 Lakhs.
- (xiii) Attend Air leakages of Dye house Machines ₹ 27.90 Lakhs.
- (xiv) Attend Air leakages of BJF & Weaving-4 Loom ₹ 21.71 Lakhs.
- (xv) Installed upgraded Energy Saving controller in all Boitliboi Automation plants, Installation of RTC in manual operation Humidification plant VFDS, Replace Inefficient FRP SAF and RAF in all Humidification plants with energy efficient Aluminum Fans and Install Inverters in SAF and RAF Fans in Humidification plants ₹ 101.30 Lakhs
- (xvi) Improve Power Factor of Company RSEB close to unity to take further advantage in RSEB Bill ₹ 25.28 Lakhs and Improve Load Factor of Company RSEB to take tariff advantage in RSEB bill ₹ 71.32 Lakhs.

**b. Measures to be taken in the Financial Year (2022-23)**

- (i) Replace the 18 nos of carding old motors of energy efficient.
- (ii) Replace the old monoblock pump with new energy efficient pump in Loom-3 H Plant.
- (iii) Replace of Belt drives System by Direct Drive System in Supply & return fan in H Plant.
- (iv) Replace of old 1 no of RSEB Transformer (1500 KVA) at SS-1 & SS-2 by New Energy Efficient Star Rated Transformer
- (v) Replace of old 2 no of RSEB Transformer (1500 KVA) at SS-1 & SS-2 by New Energy Efficient Star Rated Transformer
- (vi) Replace 8 Chamber Stenter Dhall To Harish.
- (vii) Plan to install Inverters on Savio Autoconer Machines to optimize suction pressure.
- (viii) Plan for VFD Installation in screw compressor 400 CFM in Airjet section.
- (ix) Plan to install Air Receivers in BFL & BJF compressor Air distribution system.
- (x) Plan for replacement of Low efficiency IHE Compressors with Screw compressors.
- (xi) Plan to install Inverters in all Centac Compressors water supply pumps.
- (xii) Plan to Kalki Air Flow Meter Installation in Airjet Machine 6 nos & Weaving-4-1 nos, Mill-6-1 nos.
- (xiii) Rooftop Solar Plant Installation 4604 kw.

**(ii) The Steps taken by the Company for utilizing alternate Sources of energy**

We are having co-generation thermal power plant to meet the power requirement.

**(iii) The Capital investment on energy conservation equipment**

For the Financial year 2021-22 total expenditure for energy saving equipment (EESL motor) is about ₹118.19 Lakhs.

**B). TECHNOLOGY ABSORPTION 2021-22**

**The efforts made by the Company towards technology absorption during the year under review are: NIL**

**C) Foreign Exchange Earnings and Outgo**

During the year, foreign exchange outgo was ₹ 523 Crore (which includes import of capital goods, stores & spares, coal, raw materials, consumables, payment of consultancy, dividend and travelling expenses etc.) while foreign exchange earned was ₹ 86.53 Crore. The details have been given under Notes to Financial Statements.

For and on behalf of the Board of Directors

Sd/-

**Rakesh Mehra**

Chairman

DIN:00467321

Place:Mumbai

Date: 3<sup>rd</sup> May, 2022

**ANNEXURE – VIII to Director's Report**

**Disclosure as per Rule 5(1) of Chapter XIII, Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**1. The Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year**

S.No.	Name of the KMPs	Remuneration FY 2020-21 (₹ In Lakhs)	Ratio
1.	Shri Rakesh Mehra	224.14	97.45:1
2.	Shri Ravindra Kumar Toshniwal	138.28	60.12:1
3.	Shri Shaleen Toshniwal	130.60	56.78:1
4.	Shri J.K. Jain*	100.79	43.82:1
5.	Shri H P Kharwal	11.25	4.89:1

\*Resigned w.e.f. 10th November, 2021. (Extended upto 1<sup>st</sup> December, 2021, as requested)

**2. The percentage increase/ (decrease) in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-**

Shri Rakesh Mehra (Chairman): 278.81%

Shri Ravindra Kumar Toshniwal (Managing Director): 105.80%

Shri Shaleen Toshniwal (Joint Managing Director): 141.72%

Shri J.K. Jain (Joint President & Chief Financial Officer): 95.44%

Shri H.P. Kharwal (Company Secretary): 14.56%

**3. The percentage increase in the median remuneration of employees in the financial year – Median 19.17%**

**4. The number of permanent employees on the rolls of the Company – 13326.**

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – Average increase in the remuneration of all employees excluding KMPs: 22.42%**

– Average increase in the remuneration of KMPs: 150.05%

Justification: Employees salary increases are decided based on the individual performance, inflation, prevailing industry trends and benchmarks. During the financial year 2020-21, the KMPs had voluntarily waived their remuneration upto 50%, due to COVID-19 pandemic.

**6. Affirmation that the remuneration is as per the remuneration policy of the company – Yes**

**For and on behalf of the Boards of Directors**

Sd/-

**Rakesh Mehra**

Chairman

DIN:00467321

Place: Mumbai

Date: 3<sup>rd</sup> May, 2022

**Annexure-I to the Directors' Report**
**Statement of Particulars of Employees pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sr. No.	Name of Employee	Designation	Remuneration (₹ in Lakhs)	Qualification	Overall Experience (Years)	Commencement of Employment with Banswara Syntex Ltd.	No. of Shares Held	Whether Permanent / Contractual	Age (Years)	Organisation	Post Held	Last Employed	Duration (Years)
1.	Shri Rakesh Mehra	Chairman	224.14	FCA	36	23/04/1986	6061	Permanent	64	R.R. Toshniwal Enterprises	Chief Executive	-	5
2.	Shri Ravindra Kumar Toshniwal	Managing Director	138.28	B.Tech(IIT-B)	35	01/08/1987	2248667	Permanent	58	-	-	-	-
3.	Shri Shaileen Toshniwal	Jt. Managing Director	130.60	B.B.M(USA)	18	21/10/2003	2140745	Permanent	45	-	-	-	-
4.	Shri J.K.Rathi	President	101.04	B.E. Mechanical	47	01/06/1978	-	Permanent	71	R.R. Toshniwal Enterprises	Manager	3	
5.	Shri J.K.Jain*	Joint President & CFO	100.79	C.A. & C.S.	31	04/11/2000	10	Permanent	53	Shruti Synthetics Enterprises	GM Finance & C.S.	GM Finance	10
6.	Shri Prashant Joshi	Sr. Vice President (Fabrics)	52.02	L.T.C.	19	13/12/2004	-	Permanent	56	Vora Synthetics, Bhilwada	GM Technical	1.5	
7.	Smt.Kavita Soni	Sr.Vice President(CSR)	50.37	B.A. Economic	9	01/11/2012	594053	Permanent	55	-	-	-	-
8.	Shri Dhruv Toshniwal	Vice President - Business Development	38.34	Bachelors in Science of Economics, concentrations in operations Management & Finance	8	01-09-2017	85000	Permanent	30	Finlab (GENTERA)	Sub Director of Innovation and Business Development	1.5	
9.	Shri Yugal Kishore Agrawal	Vice President (Internal Audit)	35.86	C.A., MMS Finance	22	02/01/2020	-	Permanent	45	Kores India Ltd.	GM & HOD Internal Audit	2	
10.	Shri Kamlesh Nyati	Vice President (Finance & Accounts)	32.96	CA & CS	27	09/10/2020	-	Permanent	50	Future Enterprises Ltd.	Chief Corporate Planning	1.5	

\*Resigned w.e.f. 10<sup>th</sup> November, 2021. (Extended upto 1<sup>st</sup> December, 2021, as requested)

**Note**

1. Shri Ravindra Kumar Toshniwal, Shri Shaileen Toshniwal, Shri Rakesh Mehra, Smt. Kavita Soni and Shri Dhruv Toshniwal are relatives among each other.
2. Shri Ravindra Kumar Toshniwal, Shri Shaileen Toshniwal and Smt. Kavita Soni are holding more than 2% of paid up capital of the Company i.e. (approx) 13.14%, 12.51% and 3.47% respectively.

**For and on behalf of the Boards of Directors**

 Sd/-  

**Rakesh Mehra**  
 Chairman  
 DIN:00467321

Place:Mumbai  
 Date: 3<sup>rd</sup> May, 2022



## **Standalone Financial Statements**

**INDEPENDENT AUDITORS' REPORT****To,****The Members of  
Banswara Syntex Ltd.****Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

We have audited the Standalone Ind AS financial statements of **Banswara Syntex Ltd** ('the company") which comprise the balance sheet as at March 31<sup>st</sup>, 2022 and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the 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, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS 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 Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the matter
<b>Existence, Valuation of inventory and significant judgments, estimates relating to provision for obsolescence of slow and non-moving inventory</b>  Inventories aggregate to ₹ 27,889 Lakhs As At March 31 <sup>st</sup> , 2022, Inventory comprises of raw material including packing material, work in progress, finished goods and stores and spares.  We have identified the inventories as key audit matter because it is material to the financial statements.  Refer note 2(C)(6) and note 9 to the Ind AS financial statements.	<ul style="list-style-type: none"><li>• We read and understood the Company's accounting policy for inventory valuation.</li><li>• Obtained understanding of the management's process of inventory valuation and inventory physical verification performed at year end;</li><li>• Observed the physical stock count process on a sample basis for selected locations by attending the physical stock-taking exercise conducted by management; further, we physically verified items on test check basis.</li><li>• During the above said observation, noted whether the instructions given by senior management to stock count teams were followed</li><li>• We have also been provided the physical verification report covering major inventory which is certified by the Internal Audit Department. For the inventory lying with the third party, management has provided the confirmation obtained from the third parties</li><li>• We obtained understanding of the inventory valuation process, and the assumptions used by the management in the process of calculation of inventory provision. We have tested management review controls and operating effectiveness of controls related to purchase, sales and inventory verification.</li></ul>

Key Audit Matter	How our audit addressed the matter
	<ul style="list-style-type: none"> <li>The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow-moving inventory which is recognised on a case-to-case basis based on the management's assessment. Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value.</li> <li>We tested the basis of computation of net realisable value including arithmetical accuracy, validity of the data used and provision for slow or non-moving inventory and obsolescence at the reporting date is appropriate, by assessing the methodology and assumptions adopted by management supported by analysis of historical data</li> <li>We performed cut off testing for purchase and sales transactions made near the reporting date to assess whether transactions are recorded in the correct period by testing appropriate records,</li> <li>Ensure that the closing Inventory valuation is in line with the Stock and Debtors statement furnished to the lenders for security purpose is reconciled with books of account on quarterly basis.</li> </ul>

#### Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time

to time.

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

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

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

#### Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

We communicate with those charged with governance regarding,

among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS 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

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- As required by Section 143(3) of the Act, we report that:
  - 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.
  - 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.
  - The standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - On the basis of the written representations received from the directors as on March 31<sup>st</sup>, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - With respect to the adequacy of the internal financial controls over financial reporting of the company and

the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has disclosed the impact of pending litigations on its financial position in its financial statements refer Note 48 to the Standalone Ind AS financial statements.
- ii. Provision has been made in the Standalone Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company, read with Note 27 to the Standalone Ind AS financial statement.
- iv. (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities

("Funding Parties"), with the understanding, that Company had 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

(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

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

(ii) As stated in Note no. 57 to the Standalone Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

**For KGSomani & Co LLP**  
**Chartered Accountants**  
**Firm Registration No: 06591N/N500377**

Sd/-  
**(Kavita Goyal)**  
**Partner**  
**Membership No: 063419**  
**UDIN: 22063419AIKCD7537**

**Place: New Delhi**  
**Date: May 3<sup>rd</sup>, 2022**

**"Annexure A" to the Independent Auditors' Report**

**Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31<sup>st</sup>, 2022:**

- (i)      a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and equipments;  
 (B) The company has maintained proper records showing full particulars of intangible assets;
- b) According to the explanations given to us, Company has made a plan to verify the fixed assets in phased manner, some of the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the Company and the nature of its assets. No material discrepancy was noticed on such verification as compared to book records.
- c) In our opinion and according to the information and explanations given to us during the course of audit, the title deeds of immovable properties are held in the name of the company. Fifteen title deeds are mortgaged with the banks/ financial institutions for securing the long-term borrowings.
- d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)     a) The inventory has been physically verified by the management at reasonable intervals during the year except inventory lying with the third parties. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on comparison of physical verification with the book records were not material. Further no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories carried out at during the year.
- b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii)    According to the information and explanations given to us, the Company has made investment in one Joint Venture Company covered in the Register maintained under section 189 of the Act. The investment made is not prejudicial to the

interest of the Company, further Company has not granted any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of, paragraph 3 (iii) (a) to (f) except (b) of the Order are not applicable to the Company.

In our opinion and according to the information and explanations given to us during the course of audit, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investment of the company. Further, the company has not granted any loans and has not given any guarantees and security under the provision of section 185 of the companies Act, 2013; thereby the provision of the said section is not applicable to the company.

(v) According to the information and explanations given to us, the Company has accepted deposits or amount which are deemed to be deposits and complied with the directives issued by the Reserve Bank of India and the provisions of the Companies Act 2013 and the rule frame there under. No order has been passed with respect to Section 73 to 76 by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any Tribunal.

(vi) The Company has maintained cost records under section 148(1) of the Companies Act, 2013, However, we are neither required to carry out, nor have carried out any detailed examination of such accounts and records.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Duty of Customs, Duty of Excise, Value added Tax, Goods & Service Tax, Cess and any other statutory dues with the appropriate authorities and there were no outstanding at March 31, 2022 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, Goods & Service Tax and Cess which have not been deposited on account of a dispute and the forum where the dispute is pending are as follows:

Name of Statue	Nature of disputed dues	Period to which amount relates	Amount involved (₹ in Lakhs)	Forum where dispute is pending
Income Tax Act 1961	Income Tax	AY 2010-11, 2014-15 & 2015-16 2016-17 2018-19	1,558.26	CIT(Appeals) Udaipur
Custom Act, 1962	Custom Duty	FY 2012-13	359.75	CESTAT, Ahmedabad

(viii) According to the information and explanations given to us, there are no instances of any transaction not being recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender;

(b) According to the information and explanations given to us, the Company is not declared a wilful defaulter by any bank or financial institution or other lender;

(c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained;

(d) According to the information and explanations given to us, funds raised on short Term basis have not been utilised for long term purposes;

(e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) According to the information and explanations given to us, the company has not made any public offer (including debt instruments) during the year and the Company has not made any private placement shares and convertible debentures therefore the provision of clause 3(x)(a) and (b) of the order are not applicable.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no instances of fraud by the Company or on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies 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.

(c) According to the information and explanation given to us, we have considered whistle-blower complaints if any, received during the year by the Company.

(xii) In our opinion and according to the information and explanations given to us during the course of audit, the company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.

(xiii) In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that transactions with the related parties are in compliance with sections 177 & 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) The Company has internal audit system commensurate to the size and nature of its business.

(b) The reports of the Internal Auditors for the period under audit were considered by us.

(xv) According to the information and explanations given to us and based on our of the records, the Company has not entered during the year into non cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable;

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable;

(xviii) There has not been any resignation of Statutory auditor during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) During the year, the company has transferred remaining unspent amount under sub section (5) of Section 135 of the Companies Act, 2013 pursuant to any ongoing project to special account in compliance with provision of sub section (6) of Section 135 of the said act.

(xxi) This report is in relation to standalone financial statement. This clause (xxi) is for consolidated financial statement hence it is not applicable.

**For KG Soman & Co LLP**

**Chartered Accountants**

**Firm Registration No: 06591N/N500377**

Sd/-

**(Kavita Goyal)**

**Partner**

**Membership No: 063419**

**UDIN: 22063419AIKCD7537**

**Place: New Delhi**

**Date: 03<sup>rd</sup> May, 2022**

## **"Annexure B" to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Banswara Syntex Limited the year ended March 31<sup>st</sup>, 2022**

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

We have audited the internal financial controls over financial reporting of **Banswara Syntex Limited** ("the Company") as of **March 31<sup>st</sup>, 2022** in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

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

#### **For KG Somani & Co LLP**

Chartered Accountants

Firm Registration No: 06591N/N500377

Sd/-

**(Kavita Goyal)**

Partner

Membership No: 063419

UDIN: 22063419AIKCD7537

Place: New Delhi

Date: 3<sup>rd</sup> May, 2022

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2022

(₹ In Lakhs)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	30,641.60	33,083.64
(b) Right of Use Asset	3	571.37	388.19
(c) Capital Work-in-Progress	4	2,891.60	27.42
(d) Other Intangible Assets	5	229.07	293.85
(e) Intangible Assets Under Development		-	40.96
(f) Financial Assets			
(i) Investment in Joint Venture	6	466.00	288.00
(ii) Others	7	665.12	621.29
(g) Other Non-Current Assets	8	2,245.47	1,284.39
		<b>37,710.23</b>	<b>36,027.74</b>
<b>Current Assets</b>			
(a) Inventories	9	27,888.90	19,644.95
(b) Financial Assets			
(i) Investments	10	3.91	3.44
(ii) Trade Receivables	11	12,644.47	11,498.65
(iii) Cash and Cash Equivalents	12	1,874.91	770.44
(iv) Bank balances other than (iii) above	13	867.14	669.49
(v) Loans	14	123.24	65.00
(vi) Others	15	1,746.40	1,466.25
(c) Other current assets	16	5,373.36	4,463.97
		<b>50,522.33</b>	<b>38,582.19</b>
	<b>Total Assets</b>	<b>88,232.56</b>	<b>74,609.93</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	17	1,711.60	1,711.60
(b) Other Equity	18	38,302.77	34,025.16
		<b>40,014.37</b>	<b>35,736.76</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	10,629.97	13,736.13
(ii) Lease Liabilities	20	197.95	16.79
(b) Provisions	21	397.32	166.37
(c) Deferred Tax Liabilities (Net)	22	2,611.31	2,702.28
(d) Government Grant	23	538.90	589.20
		<b>14,375.45</b>	<b>17,210.77</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	15,303.93	8,903.79
(ii) Lease Liabilities	25	56.26	51.26
(iii) Trade Payables	26		
a) Total outstanding dues of micro enterprises and small enterprises;		271.83	224.35
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		14,495.64	9,896.67
(iii) Other Financial Liabilities	27	513.13	761.10
(b) Other Current Liabilities	28	2,500.49	1,509.14
(c) Government Grant	23	82.34	82.34
(d) Provisions	29	177.73	80.86
(e) Current Tax Liabilities (Net)	30	441.39	152.89
		<b>33,842.74</b>	<b>21,662.40</b>
	<b>Total Equity and Liabilities</b>	<b>88,232.56</b>	<b>74,609.93</b>
<b>Significant Accounting Policies</b>	1		

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

Sd/-

**For K.G. Soman & Co. LLP**  
Chartered Accountants  
FRN – 06591N/N500377

Sd/-

**Kavita Goyal**  
Partner  
M.No.063419  
Place: New Delhi  
Date: 3<sup>rd</sup> May, 2022

**Rakesh Mehra**

DIN : 00467321

Chairman

Sd/-

**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director  
Sd/-  
**J. K. Rathi**  
President  
Place : Mumbai  
Date : 3<sup>rd</sup> May, 2022

**Ravindra Kumar Toshniwal**

DIN : 00106789

Managing Director

Sd/-

**Praduman V. Kumar**  
DIN : 00179074  
Chairman(Audit Committee)  
Sd/-  
**Pankaj Gharat**  
Chief Financial Officer

Sd/-

**H.P. Kharwal**

Company Secretary

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

(₹ In Lakhs)

PARTICULARS	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Income:</b>			
Sale of Products & Services	31	1,17,221.65	77,730.21
Other Operating Revenue	31	1,755.47	932.26
<b>Revenue From Operations</b>			
Other Income	32	1,18,977.12	78,662.47
		1,697.54	1,622.78
<b>Total Income (I)</b>		<b>1,20,674.66</b>	<b>80,285.25</b>
<b>Expenses :</b>			
Cost of Materials Consumed	33	56,363.83	30,249.32
Purchase of Traded Goods		-	6,089.07
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	34	(3,669.69)	1,170.29
Employee Benefits Expenses	35	22,085.00	15,314.54
Finance Costs	36	2,479.27	3,256.36
Depreciation And Amortization Expenses	37	4,185.99	4,647.52
Other Expenses	38	32,298.02	18,252.91
<b>Total Expenses(II)</b>		<b>1,13,742.42</b>	<b>78,980.01</b>
<b>Profit before exceptional items and tax (III) = (I-II)</b>			
Exceptional Item (IV)	39	6,932.24	1,305.24
		269.31	329.41
<b>Profit before tax (V) = (III+IV)</b>		<b>7,201.55</b>	<b>1,634.65</b>
Tax Expense :			
(1) Current tax			
Current Year		2,854.12	436.79
Tax Adjustment of Earlier Years		(0.21)	(0.76)
(2) Deferred Tax		(326.14)	(194.63)
<b>Total Tax Expenses (VI)</b>		<b>2,527.77</b>	<b>241.40</b>
<b>Profit After Tax (VII) = (V)-(VI)</b>		<b>4,673.78</b>	<b>1,393.25</b>
<b>Other Comprehensive Income</b>			
<b>A. Item that will not be reclassified to profit or loss</b>			
(i) Remeasurement of defined benefit plan		(214.32)	241.68
(ii) Tax relating to Remeasurement of defined benefit plan		74.89	(84.45)
<b>B. Item that will be reclassified to profit or loss</b>		-	-
<b>Total Other Comprehensive Income (VIII)</b>		<b>(139.43)</b>	<b>157.23</b>
<b>Total Comprehensive Income for the Period (IX) = (VII+VIII)</b>		<b>4,534.35</b>	<b>1,550.48</b>
<b>Earnings per equity share (in ₹)</b>	40		
(1) Basic (Face Value of ₹ 10 each)		27.31	8.14
(2) Diluted (Face Value of ₹ 10 each)		27.31	8.14
<b>Significant Accounting Policies</b>	1		

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

**For K.G. Soman & Co. LLP**  
Chartered Accountants  
FRN – 06591N/N500377

Sd/-

Sd/-

**Rakesh Mehra**  
DIN : 00467321

Chairman

Sd/-

Sd/-

**Ravindra Kumar Toshniwal**  
DIN : 00106789

Managing Director

Sd/-

**Kavita Goyal**  
Partner  
M.No.063419  
Place: New Delhi  
Date: 3<sup>rd</sup> May, 2022

Sd/-

**Shaleen Toshniwal**  
DIN : 00246432

Jt. Managing Director

Sd/-

**J. K. Rathi**  
President

Place : Mumbai

Date : 3<sup>rd</sup> May, 2022

Sd/-

**Praduman V. Kumar**  
DIN : 00179074

Chairman(Audit Committee)

Sd/-

**Pankaj Gharat**  
Chief Financial Officer

Sd/-  
**H.P. Kharwal**  
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(₹ In Lakhs)

PARTICULARS	Year ended 31 <sup>st</sup> March, 2022		Year ended 31 <sup>st</sup> March, 2021	
<b>A) Cash Flow From Operating Activities :-</b>				
Net Profit Before Tax as per Statement of Profit and Loss		7,201.55		1,634.65
<b>Adjusted for :</b>				
Depreciation and Amortization Expenses	4,185.99		4,647.52	
Unrealised Exchange Loss/(Gain)	61.79		(303.15)	
Provision for Doubtful Trade Receivables	-		358.66	
Impairment of Investments	-		(7.04)	
Loss on Discard of Property, Plant & Equipment	29.14		-	
Deferred Government Grant transferred to Statement of Profit and Loss	(82.34)		(81.96)	
Loss/(Profit) on Sale of Property, Plant & Equipment (net)	(298.45)		(45.76)	
Profit on Disposal of Investment	-		(290.69)	
Interest Income	(186.88)		(153.12)	
Interest paid	2,479.27		3,256.36	
Fair value (gain)/loss transferred to Statement of Profit and Loss	(0.47)		(0.54)	
Rental Income	(81.74)	6,106.31	(31.80)	7,348.48
Operating profit before working capital changes		13,307.86		8,983.13
<b>Adjusted for :</b>				
(Increase)/Decrease in trade & other receivables	(3,033.12)		2,107.52	
(Increase)/Decrease in inventories	(8,243.95)		4,102.58	
(Increase)/Decrease in Bank balance and Term Deposits other than Cash and Cash Equivalents	(197.65)		267.00	
Increase/(Decrease) in trade and others payables	5,689.50	(5,785.22)	(1,950.43)	4,526.67
Cash generated from operations		7,522.64		13,509.80
Direct Tax paid (net of tax refund)		2,255.35		266.42
<b>Net cash from operating activities (A)</b>		<b>5,267.29</b>		<b>13,243.38</b>
<b>B) Cash Flow From Investing Activities :-</b>				
Acquisition of Property, Plant and Equipment		(5,804.06)		(973.27)
Proceeds from sale of investment		-		362.69
Investment in Joint Venture		(178.00)		-
Proceeds from sale of Property, Plant and Equipment		939.00		88.86
Government Grant Received		32.04		36.97
Term Deposit with Banks		21.58		42.65
Interest Income		186.88		153.12
Rent received		81.74		31.80
<b>Net cash used in investing activities (B)</b>		<b>(4,720.82)</b>		<b>(257.18)</b>
<b>C) Cash Flow From Financing Activities :-</b>				
Proceeds from Term Loan borrowings		1,555.72		8,111.00
Repayment of Term Loan borrowings		(5,262.29)		(4,775.70)
Interest paid		(2,608.65)		(3,251.11)
Increase /(Decrease) in bank borrowings		7,955.96		(12,921.87)
Proceeds from unsecured loans		379.00		587.00
Repayment of unsecured loans		(1,205.00)		(320.00)
Dividend Paid		(256.74)		-
<b>Net cash from financing activities (C)</b>		<b>558.00</b>		<b>(12,570.68)</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>		<b>1,104.47</b>		<b>415.52</b>
Opening balance of cash and cash equivalents		770.44		354.92
<b>Closing balance of cash and cash equivalents</b>		<b>1,874.91</b>		<b>770.44</b>

**Cash and Cash Equivalent includes:-**

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Cash on hand	46.19	27.36
Balance in current account	1,828.72	743.08
<b>Total</b>	<b>1,874.91</b>	<b>770.44</b>

**Note:**

1. The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Figures in bracket indicate cash outflow.

**In terms of our Audit Report of even date:**

**For K.G. Somani & Co. LLP**  
 Chartered Accountants  
 FRN – 06591N/N500377  
 Sd/-

**Kavita Goyal**  
 Partner  
 M.No.063419  
 Place: New Delhi  
 Date: 3<sup>rd</sup> May, 2022

Sd/-  
**Rakesh Mehra**  
 DIN : 00467321  
 Chairman

Sd/-  
**Shaleen Toshniwal**  
 DIN : 00246432  
 Jt. Managing Director  
 Sd/-  
**J. K. Rathi**  
 President  
 Place : Mumbai  
 Date : 3<sup>rd</sup> May, 2022

**For and on behalf of the Board of Directors**

Sd/-  
**Ravindra Kumar Toshniwal**  
 DIN : 00106789  
 Managing Director

Sd/-  
**Praduman V. Kumar**  
 DIN : 00179074  
 Chairman(Audit Committee)

Sd/-  
**Pankaj Gharat**  
 Chief Financial Officer

Sd/-  
**H.P. Kharwal**  
 Company Secretary

Statement of changes in Equity for the year ended 31<sup>st</sup> March 2022

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2021</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>19,137.10</b>	<b>11,735.63</b>	<b>34,025.16</b>
Profit for the year	-	-	-	-	4,673.78	4,673.78
Other comprehensive income	-	-	-	-	(139.43)	(139.43)
Total comprehensive income	-	-	-	-	4,534.35	4,534.35
Transfer from Surplus	-	-	-	-	-	-
Dividends on Equity Shares for the year	-	-	-	-	(256.74)	(256.74)
<b>As at 31<sup>st</sup> March 2022</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>19,137.10</b>	<b>16,013.24</b>	<b>38,302.77</b>

(₹ in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2020</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>18,137.10</b>	<b>11,185.15</b>	<b>32,474.68</b>
Profit for the year	-	-	-	-	1,393.25	1,393.25
Other comprehensive income	-	-	-	-	157.23	157.23
Total comprehensive income	-	-	-	-	1,550.48	1,550.48
Transfer from Surplus	-	-	-	1,000.00	(1,000.00)	-
Dividends on Equity Shares for the year	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>19,137.10</b>	<b>11,735.63</b>	<b>34,025.16</b>
<b>Significant Accounting Policies</b>	<b>1</b>					

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

For K.G. Somani &amp; Co. LLP

Chartered Accountants

FRN – 06591N/N500377

Sd/-

Kavita Goyal

Partner

M.No.063419

Place: New Delhi

Date: 3<sup>rd</sup> May, 2022

Sd/-

Rakesh Mehra

DIN : 00467321

Chairman

Sd/-

Shaleen Toshniwal

DIN : 00246432

Jt. Managing Director

Sd/-

J. K. Rathi

President

Place : Mumbai

Date : 3<sup>rd</sup> May, 2022

Sd/-

Ravindra Kumar Toshniwal

DIN : 00106789

Managing Director

Sd/-

Praduman V. Kumar

DIN : 00179074

Chairman(Audit Committee)

Sd/-

Pankaj Gharat

Chief Financial Officer

Sd/-

H.P. Kharwal

Company Secretary

## 1. Overview & Significant Accounting Policies

### A. Corporate Information

Banswara Syntex Limited ("the Company") is a Company domiciled in India and limited by shares (CIN: L24302RJ1976PLC001684). The shares of the Company are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Company's registered office is Industrial Area, Dahod Road, subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable) and applicable provisions of the Companies Act, 1956.

These financial statements were authorized for issue by Board of Directors on 03<sup>rd</sup> May, 2022.

### B. Statement of Compliance and Basis of Preparation

#### 1. Compliance with Ind AS

These Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable) and applicable provisions of the Companies Act, 1956.

#### 2. Basis of measurement/Use of Estimates

- (i) The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities (including derivatives instruments) that are measured at fair value. The methods used to measure fair values are discussed in notes no. 53 to financial statements.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- (ii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major Estimates are discussed in Part D.

- (iii) The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, Inventories, loan sand Property, Plant & Equipment (Including Intangible assets). In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company.

- (iv) The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

#### 3. Recent Accounting Pronouncements - Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23<sup>rd</sup>, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

#### 4. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals), except as stated otherwise.

#### 5. Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

### C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

#### 1. Property, plant & equipment

##### 1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized.

##### 1.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in the statement of profit and loss as incurred.

##### 1.3. Derecognition

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

#### 1.4. Depreciation

Depreciation is recognized in statement of profit and loss on Straight Line Method (SLM) over the estimated useful life of property, plant and equipment as mentioned in Schedule II of the Companies Act, 2013, except in case of Plant & Machinery where the useful life has been taken as ascertained by the Independent Chartered Engineer and technical experts of the Company. The useful life of the Plant & Machinery so ascertained is ranging from 5 to 20 years on triple shift basis in certain plants as against the life of 15 years given in Part C of Schedule II of the Companies Act, 2013. Further, considering materiality of assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. The Company provide pro-rata depreciation from/to the date on which asset is acquired or put to use/ disposed off as appropriate.

Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

#### 2. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

#### 3. Intangible assets and intangible assets under development

##### 3.1. Initial recognition and measurement:

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets acquired by the Company are measured on initial recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

##### 3.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

##### 3.3. Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

##### 3.4. Amortization

Intangible assets having definite life are amortized on straight line method in their useful lives. Useful life of computer software is estimated at six years.

#### **4. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to revenue as and when incurred.

#### **5. Investment in Equity instrument of Joint Venture**

These are Company's Separate Financial Statements. Investment in equity instrument of Joint Venture is stated at cost as per Ind AS 27 'Separate Financial Statement'. Where the carrying amount of an investment is greater than its estimated recoverable amount. It is assessed for recoverability and in case of permanent diminution provision for impairment is recorded in statement of Profit and Loss. On disposal of Investment, the differences between the net disposal proceeds and the carrying amount is recognized to the statement of profit and loss.

Dividend from these is recognized as and when right to receive is established.

#### **6. Inventories**

Inventories are valued at the lower of cost or net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable, slow moving/non-moving inventory is ascertained on review and provided for and shown as net of provision.

#### **7. Cash and Cash Equivalent**

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

#### **8. Government Grants**

Government grants are recognized only when its reasonable certainty that economic benefit flow to the entities and attached conditions will be compiled with it

Government Grants related to income are recognized in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for. Government Grant/subsidy related to subvention of a particular expense is deducted from that expense in the year of recognition of that Government grant/subsidy.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on straight –line basis over the expected lives of related assets and presented within other income.

#### **9. Provisions, Contingent liabilities and Contingent Assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

## **10. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

## **11. Revenue**

Revenue is to be recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, the company apply the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price,
- (4) Allocate the transaction price to the performance obligations in the contract
- (5) Recognize revenues when a performance obligation is satisfied.

Control implies the ability to obtain the benefits from and direct the usage of the asset while also preventing other entities from obtaining benefits and directing usage.

### **a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the company expects to receive in exchange for those product.

### **b) Income from Rendering of Services**

Income from sale of services is recognised when (oras) the company satisfies performance obligation by transferring promised services to the customer i.e. at a point in time.

### **Other Export Benefit**

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income'.(Revenue from operation).

Export Benefits are accounted for in the year of export at net market realizable value.

### **Interest Income**

For all financial instruments classified and measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit or loss.

### **Dividend**

Dividend Income is recognized when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.

### **Other Income**

Other income is recognized in the statement of profit and loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

### **Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Company has classified prompt payment discount i.e. cash discount as variable consideration and deducted from the sales consideration accordingly.

### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

### **Contract liabilities**

A contract liability is the obligation to transfer 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.

## **12. Employee Benefits**

### **12.1 Short Term Employee Benefit**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **12.2. Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:

#### **12.2.1. Defined contribution plans**

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which the Company pays a fixed contribution and will have no further obligation.

#### **12.2.2. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the

reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income ("OCI") in the period in which they arise.

### 12.3 Other long-term employee benefits

Benefits under the Company's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Actuarial gains or losses are recognized in statement of profit or loss in the period in which they arise. In case of funded plans, the fair value of plant asset is reduced from the gross obligation, to recognize the obligation on the net basis.

## 13. Taxes

Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Tax credit is recognized in respect of Minimum Alternative Tax (MAT) paid in terms of section 115JAA of the Income Tax, 1961 based on convincing evidence that the Company will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Assets.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

## 14. Leases

### As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in the statement of financial position. (Refer note 3 & 20 respectively)

#### **Short-term leases and leases of low-value assets**

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term

#### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### **Arrangements in the nature of lease**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **15. Impairment of Non-financial Assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**16. Dividends**

Final dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

**17. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

**18. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**19. Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows'.

**20. 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.

**20.1. Financial assets****Initial recognition and measurement**

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

**Subsequent measurement****Debt instruments at amortized cost****A 'debt instrument' is measured at the amortized cost if both the following conditions are met:**

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate method ("EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTOCI (Fair Value through OCI)**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On Derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### **Debt instrument at FVTPL (Fair value through profit or loss)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **Equity investments**

All equity investments in entities are measured (except equity investment joint venture) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However the company may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments in joint ventures are measured at cost.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right or receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 if they do not contain a significant financing component.
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### **Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Derivative financial instruments**

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rate and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

## **D. Major Estimates made in preparing Financial Statements**

### **1. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Intangible assets is being amortized on straight line basis over the period of six years.

### **2. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

### **3. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter

### **4. Asset Held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

## NOTE NO. '2' NON CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
Free Hold Land	934.11	-	59.50	874.61	-	-	-	-	874.61
Building (Refer Note Below)	14,313.69	-	279.21	14,034.49	2,373.88	476.46	98.67	2,751.68	11,282.81
Plant & Equipment	39,830.71	1,548.86	2,778.35	38,601.22	20,924.48	3,209.68	2,404.61	21,729.55	16,871.66
Electric & Water Supply Installation	1,261.52	0.79	-	1,262.30	723.03	110.81	-	833.83	428.47
Furniture & Fixtures	538.55	16.59	8.76	546.38	353.62	41.85	8.14	387.34	159.05
Office Equipments	563.72	43.70	6.02	601.40	426.92	46.22	5.72	467.42	133.98
Vehicles	469.03	316.33	146.24	639.12	226.69	54.86	120.39	161.16	477.96
Capital Spares	620.34	301.90	-	922.23	419.38	89.79	-	509.17	413.06
	<b>58,531.67</b>	<b>2,228.17</b>	<b>3,278.08</b>	<b>57,481.75</b>	<b>25,448.00</b>	<b>4,029.67</b>	<b>2,637.53</b>	<b>26,840.15</b>	<b>30,641.60</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
Free Hold Land	934.11	-	-	934.11	-	-	-	-	934.11
Building	14,231.11	82.58	-	14,313.69	1,890.78	483.10	-	2,373.88	11,939.81
Plant & Equipment	39,400.78	736.96	307.04	39,830.71	17,566.70	3,638.90	281.11	20,924.48	18,906.21
Electric & Water Supply Installations	1,244.90	16.62	-	1,261.52	596.92	126.11	-	723.03	538.49
Furniture & Fixtures	526.60	18.41	6.46	538.55	309.77	48.13	4.27	353.62	184.93
Office Equipments	536.45	29.53	2.26	563.72	374.81	54.13	2.02	426.92	136.80
Vehicles	512.66	28.19	71.82	469.03	232.17	51.60	57.08	226.69	242.33
Capital Spares	541.27	79.07	-	620.34	320.99	98.39	-	419.38	200.96
	<b>57,927.88</b>	<b>991.36</b>	<b>387.58</b>	<b>58,531.67</b>	<b>21,292.14</b>	<b>4,500.36</b>	<b>344.48</b>	<b>25,448.00</b>	<b>33,083.64</b>

Note :- The Company has also been allotted 876 Equity shares of M/s Rastogi Estate & Construction Co. (Pvt.) Ltd. to establish permanent ownership in respect of Building situated at Mumbai.

## NOTE NO. '3' NON CURRENT ASSETS: RIGHT OF USE ASSET (ROU)

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
(Refer Note no 43)									
Land	352.00	-	-	352.00	28.14	6.66	-	34.79	317.21
Buildings	129.41	256.85	13.68	372.58	98.67	56.63	10.59	144.71	227.87
Plant & Machinery	56.49	-	-	56.49	22.91	7.29	-	30.20	26.29
<b>TOTAL</b>	<b>537.90</b>	<b>256.85</b>	<b>13.68</b>	<b>781.07</b>	<b>149.72</b>	<b>70.58</b>	<b>10.59</b>	<b>209.70</b>	<b>571.37</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
(Refer Note no 43)									
Land	352.00	-	-	352.00	21.48	6.66	-	28.14	323.86
Building	147.10	-	17.69	129.41	57.26	52.46	11.06	98.67	30.75
Plant & Machinery	24.62	31.87	-	56.49	12.31	10.60	-	22.91	33.58
<b>TOTAL</b>	<b>523.72</b>	<b>31.87</b>	<b>17.69</b>	<b>537.90</b>	<b>91.05</b>	<b>69.72</b>	<b>11.06</b>	<b>149.72</b>	<b>388.19</b>

**NOTE NO. '4' NON CURRENT ASSETS: CAPITAL WORK-IN-PROGRESS**

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	As at 31.03.2022
<b>Capital Work In Progress for</b>				
- Buildings#	7.84	1,118.98	-	1,126.82
- Plant & Equipments	15.97	3,138.71	1,548.86	1,605.82
- Water & Electric Installation	-	97.33	0.79	96.54
- Furniture and Fixtures	-	16.59	16.59	-
- Office Equipements	-	43.70	43.70	-
- Vehicles	-	316.33	316.33	-
- Computer & Printers	-	2.44	-	2.44
- Capital Spares	3.61	358.27	301.90	59.98
<b>TOTAL</b>	<b>27.42</b>	<b>5,092.35</b>	<b>2,228.17</b>	<b>2,891.60</b>

#During the year the Company has capitalized Interest as per IND AS- 23 "Borrowing Cost" amounting to ₹ 23.47 Lakhs (Previous Year: ₹ Nil) For Building under construction situated at Daman Plant.

**Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2022**

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,883.76	7.84	-	-	2,891.60
	<b>2,883.76</b>	<b>7.84</b>	<b>-</b>	<b>-</b>	<b>2,891.60</b>

 As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2020	Additions	Capitalized	As at 31.03.2021
<b>Capital Work In Progress for</b>				
- Buildings	31.66	58.76	82.58	7.84
- Plant & Equipments	24.87	728.06	736.96	15.97
- Water & Electric Installation	-	16.62	16.62	-
- Furniture and Fixtures	-	18.41	18.41	-
- Office Equipements	-	29.53	29.53	-
- Vehicles	-	28.19	28.19	-
- Capital Spares	2.98	79.70	79.07	3.61
<b>TOTAL</b>	<b>59.51</b>	<b>959.27</b>	<b>991.36</b>	<b>27.42</b>

**Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2021**

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	27.42	-	-	-	27.42
	<b>27.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27.42</b>

**NOTE NO. '5' NON CURRENT ASSETS: OTHER INTANGIBLE ASSETS**As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
Computer Software	525.91	20.96	-	546.87	232.06	85.74	-	317.80	229.07
	<b>525.91</b>	<b>20.96</b>	-	<b>546.87</b>	<b>232.06</b>	<b>85.74</b>	-	<b>317.80</b>	<b>229.07</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
Computer Software	487.59	38.32	-	525.91	154.61	77.45	-	232.06	293.85
	<b>487.59</b>	<b>38.32</b>	-	<b>525.91</b>	<b>154.61</b>	<b>77.45</b>	-	<b>232.06</b>	<b>293.85</b>

**Intangible assets under development**As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	Written Off/ Discard	As at 31.03.2022
-Computer Software	40.96	5.00	20.96	25.00	-
<b>TOTAL</b>	<b>40.96</b>	<b>5.00</b>	<b>20.96</b>	<b>25.00</b>	<b>-</b>

**Intangible assets under development**As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2020	Additions	Capitalized	Written Off/ Discard	As at 31.03.2021
-Computer Software	-	40.96	-	-	40.96
<b>TOTAL</b>	<b>-</b>	<b>40.96</b>	<b>-</b>	<b>-</b>	<b>40.96</b>

**Intangible assets under development aging schedule**As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	40.96	-	-	-	40.96
	<b>40.96</b>	-	-	-	<b>40.96</b>

**NOTE NO. '6' NON CURRENT FINANCIALS ASSETS : INVESTMENT IN JOINT VENTURES**

(₹ in Lakhs)

Particulars	No.of shares/ C.Y./P.Y.)	Face value per share/ C.Y./P.Y.)	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in Equity Instrument fully paid up (Unquoted)</b> Tesca Textiles & Seat Components (India) Private Limited	3236000 2880000	10 (10)	466.00	288.00
<b>TOTAL</b>			<b>466.00</b>	<b>288.00</b>
<b>Aggregate value of Unquoted Investment</b>			<b>466.00</b>	<b>288.00</b>

C.Y.=Current Year; P.Y.=Previous Year

**NOTE NO. '7' OTHER NON CURRENT FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considerd Good</b>		
Security Deposits	347.19	281.79
Term deposits held as margin money* (with maturity more than 12 months)	131.99	48.74
Term deposits held against Deposit Repayment Reserve (with maturity more than 12 months)	122.98	280.72
Other Term Deposits (with maturity more than 12 months)	56.60	2.69
Interest Accured on Term deposits	6.36	7.35
<b>TOTAL</b>	<b>665.12</b>	<b>621.29</b>

\*To avail Non fund based facilities from banks

**NOTE NO. '8' OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considerd Good</b>		
Capital Advances	836.49	130.74
<b>Advance Other than Capital Advances</b>		
Lease Equalization Asset	1.65	1.10
Paid Under Protest to Others	11.00	11.00
Prepaid Expenses	7.66	19.16
Advance Income Tax (Net of Provision of ₹ 2,537.45 Lakhs, {Previous Year ₹ 2,422.74 Lakhs})*	814.13	599.29
Income Tax Paid Under Protest	574.54	523.10
<b>TOTAL</b>	<b>2,245.47</b>	<b>1,284.39</b>

\*The Company is claiming deduction under section 80IA of the Income Tax Act, 1961 on its income from Thermal Power Plant In the books of account based on the Hon'ble Rajasthan High Court Decision in favour of other assessee.

**NOTE NO. '9' INVENTORIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(At the lower of Cost and Net Realizable Value)		
Raw Materials	9,581.98	6,107.02
Works-in-Progress	6,247.14	3,321.44
Finished goods		
Yarn	4,964.86	3,434.12
Cloth (Processed)	3,220.42	3,923.62
Garment	1,407.15	1,508.72
Stores & Spares	2,306.12	1,206.81
Waste	161.23	143.22
<b>TOTAL</b>	<b>27,888.90</b>	<b>19,644.95</b>

**The above inventories includes goods in transit as under**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Finished goods		
Yarn	607.78	308.26
Cloth (Processed)	422.15	340.79
Garment	192.88	23.02
<b>TOTAL</b>	<b>1,222.81</b>	<b>672.07</b>

9.1 Inventories include stocks lying with third parties ₹ 199.30 Lakhs (Previous Year ₹ 46.79 Lakhs)

9.2 Inventories are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.

## NOTE NO. '10' CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in Lakhs)

Particulars	No. of shares/ C.Y. / (P.Y.)	Face value per share/units C.Y. / (P.Y.)	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Measured at fair value through Statement of profit and loss Quoted</b>				
<b>In Equity Shares</b>				
Union Bank of India	10114 (10114)	10 (10)	3.91	3.44
<b>Unquoted</b>				
<b>In Equity Shares</b>				
Ambojini Property Developers Private Limited	360 (360)	10 (10)	0.07	0.07
<b>Unquoted</b>				
<b>In Debentures</b>				
10% Ambojini Property Developers Private Limited	3542 (3542)	100 (100)	6.97	6.97
Less : Impairment of Investments			(7.04)	(7.04)
<b>TOTAL</b>			<b>3.91</b>	<b>3.44</b>

C.Y. = Current Year ; P.Y. = Previous Year ;

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>In Equity (Quoted)</b>		
Aggregate Book Value	18.87	18.87
Aggregate Market Value	3.91	3.44
Impaired	14.96	15.43
<b>In Equity (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	0.07	0.07
<b>In Debenture (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	6.97	6.97

## NOTE NO. '11 CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivables, Unsecured		
- Trade Receivables considered good	12,613.54	11,441.25
- Trade Receivables which have significant increase in credit risk	30.93	57.40
- Trade Receivables-credit impaired	1,357.91	1,537.97
Less: Impairment allowance for doubtful trade receivables	14,002.38	13,036.62
<b>TOTAL</b>	<b>12,644.47</b>	<b>11,498.65</b>

**For Trade Receivables outstanding ageing schedule**

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	12,613.54	-	-	-	-	12,613.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	14.08	6.02	10.84	-	-	30.93
(iii) Undisputed Trade Receivables – credit impaired	281.22	273.96	144.09	103.56	206.51	1,009.34
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk -	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	9.01	339.57	348.57
	<b>12,908.84</b>	<b>279.97</b>	<b>154.92</b>	<b>112.57</b>	<b>546.08</b>	<b>14,002.38</b>

**For Trade Receivables outstanding ageing schedule**

 As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	11,441.25	-	-	-	-	11,441.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	11.74	-	31.34	-	14.32	57.40
(iii) Undisputed Trade Receivables – credit impaired	45.66	274.78	729.56	52.82	117.59	1,220.41
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk -	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	34.12	283.44	317.56
	<b>11,498.65</b>	<b>274.78</b>	<b>760.90</b>	<b>86.94</b>	<b>415.35</b>	<b>13,036.62</b>

a) Trade receivables are hypothecated to the banks for availing the fund based and non-fund based working capital facilities.

**b) Amount Receivables from Related Parties (Refer Note 47)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Tesca Textiles & Seat Components (India) Private Limited (A Joint Venture Company)	455.64	762.38
Aanswr Fashion Private Limited	135.05	54.02

**MOVEMENT IN IMPAIRMENT ALLOWANCE FOR DOUBTFUL TRADE RECEIVABLE**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	1,537.97	1,189.43
Impairment Allowance for the year	-	358.66
Write off Trade Receivables (net of recovery)	(180.06)	(10.12)
Balance at the end of the year	1,357.91	1,537.97

## NOTE NO. '12' CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>A. Balances with Banks</b>		
-Current Account	1,828.72	743.08
<b>B. Cash On Hand</b>	46.19	27.36
<b>TOTAL</b>	<b>1,874.91</b>	<b>770.44</b>

## NOTE NO '13' BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Unpaid Dividend Account	22.18	26.85
Unspent CSR Account	7.84	-
Term Deposits held as margin money* (with maturity more than 3 months & less than 12 months)	501.98	195.89
Term deposits held against Deposit Repayment Reserve (with maturity more than 3 months & less than 12 months)	280.72	108.83
Other Term Bank Deposits (with maturity more than 3 months & less than 12 months)	28.36	314.21
Interest Accured on Term deposits	26.06	23.71
<b>TOTAL</b>	<b>867.14</b>	<b>669.49</b>

\*To avail Non fund based facilities from banks.

## NOTE NO. '14' CURRENT FINANCIAL ASSETS: LOANS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considered good</b>		
Loans & Advances to Employees	123.24	65.00
Advance Income Tax and Tax deducted at source	2,337.84	383.70
Less: Provision for Taxation (as per contra)	2,337.84	383.70
<b>TOTAL</b>	<b>123.24</b>	<b>65.00</b>

## NOTE NO. '15' OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good</b>		
Forward Contract Receivables	43.86	55.59
Other Claim Receivables	181.94	601.17
Export Incentive Receivables	1,520.60	809.49
<b>TOTAL</b>	<b>1,746.40</b>	<b>1,466.25</b>

## NOTE NO. '16' OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless otherwise stated</b>		
<b>Advances Other than Capital Advance</b>		
Advance to Suppliers	2,094.60	2,125.92
Recoverable from Revenue Authorities : Considered Good	3,126.84	2,187.48
Recoverable from Revenue Authorities : Considered Doubtful	29.57	71.52
Prepaid Expenses	151.92	150.57
Impairment allowance for doubtful recoverable from revenue Authorities	5,402.93	4,535.49
<b>TOTAL</b>	<b>5,373.36</b>	<b>4,463.97</b>

## NOTE NO. '17 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Authorized</b>		
6,08,50,000 Equity Shares of ₹10/- each	6,085.00	6,085.00
(6,08,50,000 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
5,00,000 3% Redeemable Preference Shares of ₹ 100/- each	500.00	500.00
(5,00,000, 3% Redeemable Preference Share of ₹ 100/- each as at 31 <sup>st</sup> March 2021)		
3,00,000 3% Redeemable Cumulative Preference Shares of ₹ 100/- each	300.00	300.00
(3,00,000 3% Redeemable Cumulative Preference Share of ₹ 100/- each As at 31 <sup>st</sup> March 2021)		
	<b>6,885.00</b>	<b>6,885.00</b>
<b>Issued</b>		
1,71,43,057 Equity Shares of ₹ 10/- each	1,714.31	1,714.31
(1,71,43,057 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
	<b>1,714.31</b>	<b>1,714.31</b>
<b>Subscribed and fully Paid</b>		
1,71,16,042 Equity Shares of ₹ 10/- each	1,711.60	1,711.60
(1,71,16,042 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
	<b>1,711.60</b>	<b>1,711.60</b>

## 17.1 Reconciliation of Number of Equity Shares Outstanding

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>At the beginning of the year</b>	<b>1,71,16,042</b>	<b>1,71,16,042</b>
<b>At the end of the year</b>	<b>1,71,16,042</b>	<b>1,71,16,042</b>

## 17.2 Rights, preferences and restrictions to the shareholders: Equity Shares

All equity shareholders are having right to get dividend in proportion to paid up value of each equity share as and when declared.

The Company has equity shares having at par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

 17.3a Shares held by promoters at the end of the year 31<sup>st</sup> March 2022

Promoter name	No. of Shares	% of total shares	% Change during the year
1 Smt. Kavita Soni	5,94,053	3.47	1.33
2 Shri Shaleen Toshniwal	21,40,745	12.51	-
3 Smt.Sonal Toshniwal	8,33,055	4.87	-
4 Smt.Navnita Mehra	6,02,638	3.52	-
5 Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-
6 Smt.Prem Toshniwal	8,96,359	5.24	-
7 Smt.Radhika Toshniwal	11,82,482	6.91	-
8 Shri Dhruv Ravindra KumarToshniwal	85,000	0.50	15.00
9 Shri Udit Ravindra Toshniwal	1,00,000	0.58	-
10 Shri Rakesh Mehra	6,061	0.04	-
11 Niral Trading Pvt. Ltd.	5,61,665	3.28	-
12 Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-
13 Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-
14 Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-

**17.3b Shares held by promoters at the end of the year 31<sup>st</sup> March 2021**

Promoter name	No. of Shares	% of total shares	% Change during the year
1 Smt. Kavita Soni	6,02,075	3.52	-
2 Shri Shaleen Toshniwal	21,40,745	12.51	-
3 Smt. Sonal Toshniwal	8,33,055	4.87	-
4 Smt. Navnita Mehra	6,02,638	3.52	-
5 Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-
6 Smt. Prem Toshniwal	8,96,359	5.24	-
7 Smt. Radhika Toshniwal	11,82,482	6.91	-
8 Shri Dhruv Ravindra Kumar Toshniwal	1,00,000	0.58	-
9 Shri Udit Ravindra Toshniwal	1,00,000	0.58	-
10 Shri Rakesh Mehra	6,061	0.04	-
11 Niral Trading Pvt. Ltd.	5,61,665	3.28	-
12 Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-
13 Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-
14 Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-

**17.4 Details of Shareholder's holding more than 5% of each class of shares issued by the Company -**

Name of shareholder	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No. of Shares	% of Shares	No. of Shares	% of Shares
<b>Equity Shares</b>				
Shri Ravindra Kumar Toshniwal	22,48,667	13.14%	22,48,667	13.14%
Shri Shaleen Toshniwal	21,40,745	12.51%	21,40,745	12.51%
Smt. Radhika Toshniwal	11,82,482	6.91%	11,82,482	6.91%
Smt. Prem Toshniwal	8,96,359	5.24%	8,96,359	5.24%
Cofipalux Invest S A	11,31,787	6.61%	-	-
Kotak Mahindra (International) Limited	-	-	12,89,556	7.53%

**NOTE NO. '18' OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Reserves and Surplus</b>		
Capital Reserve	20.43	20.43
Capital Redemption Reserve	173.00	173.00
Securities Premium	2,959.00	2,959.00
General Reserve	19,137.10	19,137.10
Retained Earnings	16,013.24	11,735.63
<b>TOTAL</b>	<b>38,302.77</b>	<b>34,025.16</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>(A) Capital Reserve</b>		
Opening Balance	20.43	20.43
Closing Balance	20.43	20.43
<b>(B) Capital Redemption Reserve</b>		
Opening Balance	173.00	173.00
Closing Balance	173.00	173.00
<b>(C) Securities Premium</b>		
Opening balance	2,959.00	2,959.00
Closing Balance	2,959.00	2,959.00
<b>(D) General Reserve</b>		
Opening Balance	19,137.10	18,137.10
Add: Transfer from Surplus	-	1,000.00
Closing Balance	19,137.10	19,137.10
<b>(E) Retained Earnings</b>		
Opening Balance	11,735.63	11,185.15
Add : Profit for the year	4,673.78	1,393.25
Add: Remeasurement Gain/(Loss) of defined benefit plan	(139.43)	157.23
Less : Transfer to General Reserve	-	1,000.00
Less : Final Dividend on Equity Shares	256.74	-
	16,013.24	11,735.63
<b>Total</b>	<b>38,302.77</b>	<b>34,025.16</b>

**NOTE NO. '19' NON CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>TERM LOAN (SECURED)</b>		
<b>FROM BANK AND FINANCIAL INSTITUTIONS</b>		
<b>IDBI BANK LIMITED</b>		
Term Loan - II		
Repayable in 30 variable quarterly installments	80.94	204.34
Term Loan - III		
Repayable in 30 variable quarterly installments	50.49	127.49
Term Loan - IV		
Repayable in 30 variable quarterly installments	120.49	304.09
Term Loan - V		
Repayable in 30 variable quarterly installments	866.87	1,010.87
Term Loan - VI		
Repayable in 32 variable quarterly installments	248.78	295.78
Term Loan (GECL 2.0 Loan)		
Repayable in 48 equal monthly installments	483.70	494.00

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>EXPORT IMPORT BANK OF INDIA</b>		
Term Loan - II	-	139.00
Repayable in 24 variable quarterly installments	-	
Term Loan - VII	-	177.32
Repayable in 26 variable quarterly installments	-	
<b>BANK OF BARODA</b>		
Term Loan - III	-	677.10
Repayable in 27 variable quarterly installments	-	
Term Loan - IV	456.62	915.15
Repayable in 32 variable quarterly installments	-	
<b>PUNJAB NATIONAL BANK</b>		
Term Loan - III	125.00	378.31
Repayable in 32 variable quarterly installments	-	
Term Loan (COVID-19)	363.19	1,825.23
Repayable in 18 equal monthly installments	-	
Term Loan (GECL 2.0 Loan)	2,654.33	2,895.40
Repayable in 48 equal monthly installments	-	
<b>BANK OF INDIA</b>		
Term Loan (GECL 2.0 Loan)	3.54	500.11
Repayable in 48 equal monthly installments	-	
<b>UNION BANK OF INDIA</b>		
Term Loan - III	1,050.27	1,300.34
Repayable in 32 variable quarterly installments	-	
Term Loan - IV	1,178.17	1,353.21
Repayable in 32 variable quarterly installments	-	
Term Loan - V	467.83	547.85
Repayable in 32 variable quarterly installments	-	
Term Loan - VI	988.38	1,086.61
Repayable in 32 variable quarterly installments	-	
Term Loan - VII	439.21	483.87
Repayable in 32 variable quarterly installments	-	
Term Loan - VIII	842.69	219.23
Repayable in 32 equal quarterly installments	-	
Term Loan - IX	1,273.73	452.84
Repayable in 32 equal quarterly installments	-	
Term Loan (GECL 2.0 Loan)	670.81	772.67
Repayable in 48 equal monthly installments	-	
<b>Sub-Total (A)</b>	<b>12,365.04</b>	<b>16,160.81</b>
<b>Less : Current Maturities</b>		
IDBI Bank Ltd.	599.42	574.29
Export-Import Bank of India	-	316.32
Bank of Baroda	302.62	1,064.25
Punjab National Bank	1,225.90	1,918.64
Bank of India	3.54	10.53
Union Bank of India	1,419.59	825.65
<b>Sub-Total (B)</b>	<b>3,551.07</b>	<b>4,709.68</b>
<b>Total (I) = (A-B)</b>	<b>8,813.97</b>	<b>11,451.13</b>

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Fixed Deposits (Unsecured)</b>		
From Directors (Including Independent Directors)	213.56	264.92
From Others	2,006.08	2,820.91
Includes ₹ 572.40 Lakhs (Previous years ₹ 751.66 Lakhs) from related parties	2,219.64	3,085.83
Less : Current Maturities	403.64	800.83
<b>Total (II)</b>	<b>1,816.00</b>	<b>2,285.00</b>
	<b>10,629.97</b>	<b>13,736.13</b>

### 19.1 Securities/ Guarantees

#### A. For Term Loans from Financial Institutions and Banks:

- (i) Terms Loans from Financial Institutions and Banks are secured by a joint equitable mortgage and /or hypothecation charges ranking pari-passu on immovable/movable properties situated at Banswara, Daman and Surat, both present and future of the Company and are also secured by second charge on current assets of the Company ranking pari-passu.
- (ii) Term Loans and Working Capital Term Loans from Financial Institutions and Banks amounting to ₹ 6,821.90 Lakhs (Previous Year ₹ 7,414.51 Lakhs) are guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per sanctions of the respective Financial Institutions and Banks.
- (iii) Term Loan and Working Capital Term Loan Interest rate ranging from 7.80 % to 10.40% (Previous Year 7.80% to 12.50%)
- (iv) Working Capital Term Loans from Banks are secured by first charge on current assets of the Company ranking pari-passu and are also secured by second charge on fixed assets of the Company ranking pari-passu.
- (v) Term Loan from Punjab National Bank Under Covid-19 Emergency Credit Facility (CECF) is secured by extention of charges on all exiting primary and collectoral security on pari-passu basis and also personally guranteed Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per the sanction of the Bank.
- (vi) The Company has repaid term loan amounting to ₹ 669.23 Lakhs over and above the scheduled term loan repayments.

#### B. For Fixed deposits

- (i) Fixed Deposits accepted by the Company are in accordance with the provisions of section 73(2)(a) and section 76 of the Companies Act, 2013 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 are unsecured. Fixed Deposits are repayable within 1 to 3 years depending upon the terms of deposits.
- (ii) Fixed Deposits Interest rate ranging from 8.50% to 9.50% (Previous Year 8.50 % to 9.50%).

### NOTE NO. '20' NON CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Lease Liability</b>		
Less : Current Maturities	254.21	68.05
Long term maturities of finance lease obligation (III)	56.26	51.26
	<b>197.95</b>	<b>16.79</b>
<b>Lease Liability Secured</b>		
	3.11	14.65
<b>Lease Liability Unsecured</b>		
	194.84	2.14
<b>Total (I+II+III)</b>	<b>197.95</b>	<b>16.79</b>

## NOTE NO. '21' NON CURRENT LIABILITIES: PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Provisions for Employee benefits</b>		
- Gratuity	221.61	14.83
Less : Short Term	76.10	14.83
	145.51	-
- Leave Encashment	353.44	232.40
Less : Short Term	101.63	66.03
	251.81	166.37
<b>Total</b>	<b>397.32</b>	<b>166.37</b>

As of 31 <sup>st</sup> March, 2022	Gartuity	Leave Encashment
<b>Movement of Provision as required by Para 84 of IND AS 37</b>		
Opening Balance	14.83	232.40
Add : Provision made during the year	206.78	121.04
Closing Balance	221.61	353.44

As of 31 <sup>st</sup> March, 2021	Gartuity	Leave Encashment
<b>Movement of Provision as required by Para 84 of IND AS 37</b>		
Opening Balance	494.59	287.48
Less : Amount utilized during the year	479.76	55.08
Closing Balance	14.83	232.40

## NOTE NO. '22' NON CURRENT LIABILITIES: DEFERRED TAX LIABILITIES (Net)

Considering accounting procedure prescribed by the IND AS 12 "Income Taxes", the following amounts have been worked out and provided in books:

Major components of deferred tax balances	(₹ in Lakhs)	
Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deferred Tax Liabilities</b>		
I) Difference between accounting and tax depreciation	3,857.85	4,153.54
<b>TOTAL (I)</b>	<b>3,857.85</b>	<b>4,153.54</b>
<b>Deferred Tax Assets</b>		
I) Provision for doubtful Trade Receivables /Advances	474.51	537.43
ii) Disallowances under section 43B of Income Tax, 1961	468.72	480.38
iii) Employee Benefits	200.95	86.39
iv) Deferred Tax on Account of Deferred Government Grant	69.64	79.37
v) Lease Equilazation Assets	0.58	0.37
vi) MAT Credit Entitlement	32.14	267.32
<b>TOTAL (II)</b>	<b>1,246.54</b>	<b>1,451.26</b>
<b>Net Deferred Tax Liabilities (I-II)</b>	<b>2,611.31</b>	<b>2,702.28</b>

## NOTE NO. '23' GOVERNMENT GRANT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Non Current</b>		
Deferred Income	538.90	589.20
<b>Current</b>		
Deferred Income	82.34	82.34
<b>Total</b>	<b>621.24</b>	<b>671.54</b>

**Government Grant: Movement during the year:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>At the beginning of the year</b>	671.54	716.53
Add: Received during the Year	32.04	36.97
Less: Transferred to statement of profit and loss	82.34	81.96
<b>As the end of the year</b>	<b>621.24</b>	<b>671.54</b>

**NOTE NO. '24' CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>From Banks (Secured)</b>		
Cash Credit and Packing Credit Facilities	9,349.37	3,393.26
<b>Unsecured Loan from</b>		
Bank	1,999.85	-
<b>Current Maturities of Long Term Borrowings and Fixed Deposit</b>		
Term Loans (Secured)	3,551.07	4,709.70
Fixed Deposit (Unsecured)	403.64	800.83
<b>Total</b>	<b>15,303.93</b>	<b>8,903.79</b>

**Terms and Condition**
**Secured Loan**
**24.1 Securities and Guarantees**

- (i) Cash Credit Facility and Export Packing Credit Facility from banks are secured by way of hypothecation (Floating charges) of Raw material, Dyes-Chemicals, Packing Materials, Stores & Spares, Stock-in-process, Finished goods, Book debts, Export Incentives and second charge on all the Property, Plant and Equipments (situated at Banswara, Daman & Surat) of the Company and also guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities.
- (ii) Cash Credit Facility and Export Packing Credit Facility Interest rate ranging from 6.25 % to 9.10 % (Previous Year 7.35% to 10.25%).

**Unsecured Loan**
**24.2 Securities and Guarantees**

- (I) During the year the Company has availed Unsecured Loan from "HDFC Bank Ltd" amounting to ₹ 2000 Lakhs.

**NOTE NO. '25' CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Lease Liability	56.26	51.26
Lease Liability Secured	11.54	15.08
Lease Liability Unsecured	44.72	36.18
<b>Total (I+II+III)</b>	<b>56.26</b>	<b>51.26</b>

**NOTE NO. '26' CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Micro and Small Enterprises@	271.83	224.35
Capital Goods	980.07	-
Others	13,515.57	9,896.67
<b>Total</b>	<b>14,767.47</b>	<b>10,121.02</b>

@ To the extent information received for status under the Micro, Small and Medium Enterprises Development Act, 2006.

## 26.1 Details of Dues to Micro Enterprises and Small Enterprises

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Principal amount due to suppliers registered under the Micro Enterprises and Small Enterprise Development Act, 2006, and remaining unpaid as at year end	271.83	224.35
Amount of Interest due to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, Act and remaining unpaid as at year end	1.25	1.74
Principal amounts paid to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	51.78	103.14
Amount of Interest paid, under the Micro Small and Medium Enterprise Development Act, 2006, to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	-	Nil
Interest due and payable towards suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, for payment already made	1.26	3.15

Trade Payables aging schedule as at 31<sup>st</sup> March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	265.65	6.12	-	0.06	271.83
(ii) Others	12,000.18	228.72	326.84	1,601.84	14,157.58
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	9.13	243.13	1.28	84.52	338.06
	<b>12,274.96</b>	<b>477.97</b>	<b>328.12</b>	<b>1,686.42</b>	<b>14,767.47</b>

Trade Payables aging schedule as at 31<sup>st</sup> March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	224.26	-	0.06	0.03	224.36
(ii) Others	7,347.31	377.11	109.21	1,699.06	9,532.69
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	278.17	1.28	-	84.52	363.97
	<b>7,849.74</b>	<b>378.39</b>	<b>109.27</b>	<b>1,783.61</b>	<b>10,121.02</b>

## NOTE NO. '27' OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Other Liabilities</b>		
Unclaimed Dividend	22.18	26.85
Investor Education and Protection Fund Payable*	4.30	4.30
Securities Deposits	200.06	392.78
Other Liabilities	286.59	337.17
<b>Total</b>	<b>513.13</b>	<b>761.10</b>

\*The company has deposited ₹ 4.30 Lakhs representing unpaid dividend for the Financial Year 2011-12 to the Investor Education and Protection Fund ("IEPF") vide Challan No.U56885791 dated 4<sup>th</sup> December, 2019. The company also filed a Statement in Form IEPF on 22<sup>nd</sup> October 2019. The said amount was erroneously returned by IEPF authority with out any reason and credited to our Bank account. The company have lodged a complaint to IEPF authority in this regard and awaiting clearance from their side.

Except the amount stated as above, there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund at the year end.

**NOTE NO. '28' OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Contract Liabilities	1,378.33	535.26
Advance against sale of Land and Building	-	5.51
Statutory Liabilities	1,122.16	968.37
<b>Total</b>	<b>2,500.49</b>	<b>1,509.14</b>

**NOTE NO. '29' CURRENT LIABILITIES: PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Provisions for Employee benefits</b>		
- For Gratuity	76.10	14.83
- For Leave Encashment	101.63	66.03
<b>Total</b>	<b>177.73</b>	<b>80.86</b>

**NOTE NO. '30' CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provision for Income Tax	2,779.23	536.59
Less : Advance Tax and TDS (as per contra)	2,337.84	383.70
<b>Total</b>	<b>441.39</b>	<b>152.89</b>

**NOTE NO. '31' REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
(a) Sale of products	1,14,074.46	75,782.96
(b) Sale of services (Job Work Income)	3,147.19	1,947.26
<b>Sale of Products &amp; Services</b>	<b>1,17,221.65</b>	<b>77,730.21</b>
(c) Other Operating Revenue		
Export Incentives	1,755.47	932.26
<b>Total</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

**NOTE NO. '32' OTHER INCOME**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Interest Income</b>		
Interest Income from Bank Fixed Deposits	58.32	71.08
Interest Income from Others	128.56	82.04
Rental Income	81.74	31.80
<b>Other Non Operating Income</b>		
Exchange Rate Fluctuation (net)	873.38	719.02
Insurance Claim Received	16.27	38.89
Liabilities/Excess Provisions written back (net)	255.98	577.63
Government Grants	82.34	81.96
Miscellaneous Receipts	200.48	19.82
Gain on Fair Value Measurement of Investment through FVTPL	0.47	0.54
<b>Total</b>	<b>1,697.54</b>	<b>1,622.78</b>

## NOTE NO.'33' COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Raw Material Consumed</b>		
Opening stock	6,107.02	8,327.01
Add : Purchases	55,042.88	25,087.85
	61,149.90	33,414.86
Less : Closing stock	9,581.98	6,107.02
	51,567.92	27,307.84
<b>Dyes &amp; Chemicals Consumed</b>		
	4,795.91	2,941.48
<b>Total</b>	<b>56,363.83</b>	<b>30,249.32</b>

## NOTE NO.'34' CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
<b>A. Finished Goods</b>		
<b>Opening Stock</b>		
Yarn	3,434.12	4,348.22
Cloth	3,923.62	3,601.89
Garment	1,508.72	1,223.73
	<b>8,866.46</b>	<b>9,173.84</b>
<b>Closing Stock</b>		
Yarn	4,964.86	3,434.12
Cloth	3,220.42	3,923.62
Garment	1,407.15	1,508.72
	<b>9,592.43</b>	<b>8,866.46</b>
<b>B. Work-in Progress</b>		
<b>Opening Stock</b>		
Yarn	1,267.95	1,499.18
Cloth	1,602.94	2,285.68
Garment	450.55	364.73
	<b>3,321.44</b>	<b>4,149.59</b>
<b>Closing Stock</b>		
Yarn	2,307.95	1,267.95
Cloth	2,991.59	1,602.94
Garment	947.61	450.55
	<b>6,247.15</b>	<b>3,321.44</b>
<b>C. Waste</b>		
<b>Opening Stock</b>		
	<b>143.22</b>	<b>177.98</b>
<b>Closing Stock</b>		
	<b>161.23</b>	<b>143.22</b>
<b>Total</b>	<b>(3,669.69)</b>	<b>1,170.29</b>

## NOTE NO.'35' EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Salaries, Wages and Benefits etc.	20,118.11	13,851.07
Contribution to Provident and Other Funds	1,676.74	1,172.22
Workmen & Staff Welfare Expenses	290.15	291.25
<b>Total</b>	<b>22,085.00</b>	<b>15,314.54</b>

**Disclosure as per Ind AS 19 'Employee Benefit'**
**A) Defined contribution plan**

Employer's contribution to provident fund paid ₹ 1,290.32 Lakhs (Previous year ₹ 891.91 Lakhs) has been recognized as expense for the year.

Employer's contribution to Employee State Insurance Corporation paid ₹ 264.86 Lakhs (Previous year ₹ 202.16 Lakhs) has been recognized as expense for the year.

In accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employees and the employer make monthly contributions to the plan at a predetermined rate of an employee's basic salary. These contributions are made to the regional fund administered and managed by the Employees Provident Fund Organisation (EPFO). The Company has no further obligations under the fund managed by the EPFO beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

**B) Defined benefits plan**

The Company has following post employment benefits which are in the nature of defined benefit plans:

**Gratuity**

The Company provides for gratuity payable to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan administered by a Trust and the Company makes contributions to recognised Trust.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Change in defined benefit obligations:</b>		
Defined benefit obligation at the beginning of the year	1,641.77	1,949.54
Current service cost	400.05	441.14
Interest cost	97.95	111.31
Past service cost	-	-
Benefits paid	(398.46)	(625.24)
Actuarial (gains)/losses	219.36	(234.98)
<b>Defined benefit obligation, end of the year</b>	<b>1,960.67</b>	<b>1,641.77</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Fair value of plan assets at the beginning of the year	1,626.93	1,454.95
Return on plan assets, (excluding amount included in net Interest expense)	5.03	6.70
Interest income	110.36	101.12
Employer's contributions	395.20	689.40
Benefits paid	(398.46)	(625.24)
<b>Fair value of plan assets, end of the year</b>	<b>1,739.06</b>	<b>1,626.93</b>

**Amount recognized in the balance sheet consists of:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Present value of defined benefit obligation	1,960.67	1,641.77
Fair value of plan assets	1,739.06	1,626.93
<b>Net liability</b>	<b>221.61</b>	<b>14.84</b>
<b>Amounts in the balance sheet:</b>		
Current Liability	76.10	14.84
Non-current liabilities	145.51	-
<b>Net liability</b>	<b>221.61</b>	<b>14.84</b>

**Total amount recognized in Profit or Loss consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current service cost	400.05	441.14
Past Service Cost	-	-
Net Interest	(12.41)	10.19
<b>Total Expense recognised in statement of profit or loss</b>	<b>387.64</b>	<b>451.33</b>

**Net Interest Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest Expenses	97.95	111.31
Interest Income	110.36	101.12
<b>Net Interest</b>	<b>(12.41)</b>	<b>10.19</b>

**Amount recognized in other comprehensive income consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actuarial (Gain)/Loss on Obligation	219.36	(234.98)
Return on Plan Assets excluding net Interest	(5.03)	(6.70)
<b>Total Actuarial (Gain)/Loss recognised in (OCI)</b>	<b>214.33</b>	<b>(241.68)</b>

**Actuarial (Gain)/Loss on obligation Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	220.49	1.95
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(1.13)	(236.93)
<b>Total Actuarial (Gain)/Loss</b>	<b>219.36</b>	<b>(234.98)</b>

**Return on Plan Assets excluding net Interest Consists**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actual Return on plan assets	115.39	107.82
Interest Income included in Net Interest	110.36	101.12
<b>Return on Plan Assets excluding net Interest</b>	<b>5.03</b>	<b>6.70</b>

**Information for funded plans with a defined benefit obligation less than plan assets:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Defined benefit obligation	1,960.67	1,641.77
Fair value of plan assets	1,739.06	1,626.93
<b>Net Liability</b>	<b>221.61</b>	<b>14.84</b>

**The assumptions used in accounting for the Gratuity are set out below:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Discount rate	6.85%	6.79%
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Rate of increase in compensation level of covered employees	5.00%	4.00%
Expected Return on Plan Assets	6.85%	6.79%
Expected average remaining services	21.08	21.01
Retirement age	60 Years	60 Years
Employee Attrition rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

**Sensitivity Analysis:**

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate.

Assumptions	Change in assumption	Change in PV of obligation Gratuity	
		As at 31.03.2022	As at 31.03.2021
Discount rate	Increase by 1% Decrease by 1%	1,727.52 2,246.55	1,464.31 1,858.21
Salary escalation rate	Increase by 1% Decrease by 1%	2,242.71 1,727.37	1,855.92 1,463.89

**Expected Payout**

(₹ in Lakhs)

Particulars	First Year	Second Year	Third to fifth Year	More than 5 Year
PVO payout Gratuity as of 31 March 2022	76.10	81.61	287.40	641.82
PVO payout Gratuity as of 31 March 2021	131.90	38.47	314.84	554.32

**Plan Assets**

Plan assets comprise the following

(₹ in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deposit with</b>		
Gratuity Trust	4.17	1.18
Group Insurance Scheme Insurance Company (LIC)	1,734.89	1,628.75

**Risk Exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**a) Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. the Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. the Company intends to maintain the above investment mix in the continuing years.

**b) Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

**c) Inflation risks**

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**d) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. the Company has not changed the processes used to manage its risks from previous periods. the Company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

**C) Other Long Term Employee Benefit****Leave Encashment**

Other long term employee benefit includes earned leave to the employees of the Company which accrue annually for 24 days. Earned leave can be accumulated up to 90 days while in service. These accumulated earned leave are encashable at the time of retirement or leaving the services of the Company. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 183.34 Lakhs (Previous Year: ₹ 28.47 Lakhs) have been made on the basis of actuarial valuation and debited to the Statement of Profit and Loss.

Amount of ₹ 250.91 Lakhs (Previous Year: ₹ 166.04 Lakhs) is recognised as expenses and included in Note No 35 ""Employee benefit expenses

**NOTE NO. '36' FINANCE COST**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest Expense	1,973.81	2,746.33
Finance Lease Charge	13.61	6.66
Other Borrowing Cost	491.85	503.38
<b>Total</b>	<b>2,479.27</b>	<b>3,256.36</b>

**NOTE NO. '37' DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Right of Use Assets Depreciation (Refer Note 3)	70.58	69.72
Depreciation (Refer Note 2 and 5)	4,115.41	4,577.80
<b>Total</b>	<b>4,185.99</b>	<b>4,647.52</b>

## NOTE NO. '38' OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Stores & Spare Parts Consumed	3,726.72	2,538.28
Packing Material Consumed	2,041.92	1,143.41
Power	3,951.07	1,604.91
Fuels	12,006.69	5,765.41
Job Charges	1,617.46	1,007.14
Repairs to : Plant & Machinery	374.38	276.29
Building	310.91	205.27
Others	68.76	61.37
Rent	5.81	11.78
Rates and Taxes	132.19	126.06
Insurance	413.07	387.56
Payment to Auditors		
As Auditors -Fees	22.50	22.50
-Expenses	0.23	0.24
In other capacity		
-Certification	0.30	0.20
Directors' Fees (Refer Note No.47)	39.40	20.42
Travelling & Conveyance Expenses	155.30	110.70
Communication Expenses	256.54	289.65
Legal & Professional Fee	434.25	252.35
Charity & Donation	6.38	38.39
Expenditure incurred for Corporate Social Responsibility (CSR) (Refer Note No. 46)	66.33	28.86
Business Promotion Expenses	69.79	61.28
IT Outsourced Support Services	114.25	67.48
Data Processing Charges	10.14	5.63
Water & Electricity Charges	125.13	67.05
Commission to Selling Agents	1,436.18	869.24
Freight, Octroi and Forwarding Charges	4,173.33	2,098.45
Claims	120.29	379.13
Advertisements	10.77	8.87
Provision for Doubtful Trade Receivables	-	358.66
Advance/ Receivables Written Off	14.93	28.30
Miscellaneous Expenses	593.00	418.04
<b>Total</b>	<b>32,298.02</b>	<b>18,252.91</b>

## NOTE NO. '39' EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Profit on Sales of Property, Plant and Equipments	298.45	45.76
Profit on Disposal of Investment	-	290.69
Impairment of Investments	-	(7.04)
Loss on Assets Discarded	(29.14)	-
<b>Total</b>	<b>269.31</b>	<b>329.41</b>

## NOTE NO. '40' EARNINGS PER SHARE

Particulars		Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a) Profit for the year	₹ In Lakhs	4,673.78	1,393.25
b) Weighted average number of equity shares outstanding	Nos.	1,71,16,042	1,71,16,042
c) Face value per share	₹	10.00	10.00
d) Earnings Per Share:			
- Basic	₹	27.31	8.14
- Diluted	₹	27.31	8.14

## Disclosures

## Note no 41. Disclosure as per Ind AS 12 'Income Tax'

## a) Income Tax Expense

## i) Income Tax recognised in the statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current Income Tax	2,854.12	436.79
Tax Adjustment of Earlier Years	(0.21)	(0.76)
<b>Total current Tax expenses</b>	<b>2,853.91</b>	<b>436.03</b>
<b>Deferred tax</b>		
Deferred Tax Expenses	(326.14)	(194.63)
<b>Total deferred tax expenses</b>	<b>(326.14)</b>	<b>(194.63)</b>
<b>Total Income tax expenses</b>	<b>2,527.77</b>	<b>241.40</b>

## ii) Income tax recognised in other comprehensive income (OCI)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Current Tax Expenses</b>		
Net actuarial (loss)/gain on defined benefit plan	(74.89)	84.45
Total current Tax expenses	(74.89)	84.45

## iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Profit before tax</b>	6,987.23	1,876.33
Tax using the company tax rate @ 34.944% (Previous Year @ 34.944%)	2,441.62	655.67
Tax effect of :		
Non deductible tax expenses (CSR)	23.18	10.08
Non deductible tax expenses (Donation)	2.23	13.42
Non deductible tax expenses (MSME Interest and Interest on Income Tax)	0.88	6.15
Tax Adjustment of Earlier Years	0.21	0.76
Profit on Sales of Investment in Joint Venture	-	58.14
Others	(15.23)	(418.36)
<b>Total tax expenses in the statement of profit and loss</b>	<b>2,452.88</b>	<b>325.85</b>

**Movement in deferred tax balances**
**31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2021	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,153.54	(295.69)	-	-	3,857.85
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	537.43	(62.92)	-	-	474.51
ii) Disallowances under section 43B of Income Tax Act, 1961	480.38	(11.66)	-	-	468.72
iii) Employee Benefits	86.39	114.56	-	-	200.95
iv) Deferred Tax on Account of Deferred Government Grant	79.37	(9.73)	-	-	69.64
(v) On account of Forward Contract	-	-	-	-	-
(vi) Lease Equilazation Assets	0.37	0.21	-	-	0.58
(vii) MAT Credit Entitlement	267.32	-	-	235.18	32.14
<b>Net tax assets/(liabilities)</b>	<b>2,702.28</b>	<b>(326.14)</b>	<b>-</b>	<b>235.18</b>	<b>2,611.31</b>

**31<sup>st</sup> March, 2021**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2020	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2021
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,594.11	(440.57)	-	-	4,153.54
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	425.89	111.54	-	-	537.43
ii) Disallowances under section 43B of Income Tax Act, 1961	497.23	(16.85)	-	-	480.38
iii) Employee Benefits	273.28	(186.89)	-	-	86.39
iv) Deferred Tax on Account of Deferred Government Grant	87.92	(8.55)	-	-	79.37
(v) On account of Forward Contract	145.38	(145.38)	-	-	-
(vi) Lease Equilazation Assets	0.19	0.18	-	-	0.37
(vii) MAT Credit Entitlement	387.00	-	-	119.68	267.32
<b>Net tax assets/(liabilities)</b>	<b>2,777.22</b>	<b>(194.63)</b>	<b>-</b>	<b>119.68</b>	<b>2,702.28</b>

**Note no. 42. Disclosure as per Ind AS 2 'Inventories'**

Amount of inventories recognised as expense during the year is as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Cost of Material Consumed	56,363.83	30,249.32
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	(3,669.69)	1,170.29
Power and Fuel (Coal)	12,006.69	5,765.41
Packing Material Consumed	2,041.92	1,143.41
Stores & Spare Parts Consumed	3,726.72	2,538.28
<b>Total</b>	<b>70,469.48</b>	<b>40,866.71</b>

**Note No. 43. Disclosure as per Ind AS-116 "Leases"**

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As Lessee****(A) Addition to right of use assets**

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property. (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Right-of-use assets, except for investment property	256.85	31.87
	<b>256.85</b>	<b>31.87</b>

**(B) Carrying value of right of use ("ROU") assets at the end of the reporting period by class**

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery
Balance at 1 <sup>st</sup> April 2021	352.00	129.41	56.49
Add : Right of Use Building Recognized during the year	-	256.85	-
Less : Disposal of ROU during the year	-	13.68	-
Gross Block Value of Right of Use	352.00	372.58	56.49
Opening Accumulated Depreciation	28.14	98.67	22.91
Add : Depreciation charge for the year	6.66	56.63	7.29
Less : Depreciation on Disposal of ROU	-	10.59	-
Closing Accumulated Depreciation	34.79	144.71	30.20
Balance at 31 <sup>st</sup> March 2022	317.21	227.87	26.29

**(c) Maturity analysis of lease liabilities**

(₹ in Lakhs)

Maturity analysis-contractual undiscounted cash flows	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Less than One year	75.14	55.21
One to five years	227.10	18.15
<b>Total undiscounted lease liabilities</b>	<b>302.24</b>	<b>73.36</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>254.21</b>	<b>68.05</b>

**(D) Amounts recognised in the Statement of profit and loss**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Interest on lease liabilities	13.61	6.66
Amortization recognized	70.58	69.72
Expenses related to short term leases	5.81	11.79

**(E) Amounts recognised in the statement of cash flows**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Total cash outflow for leases	77.37	84.91

**As Lessor**
**(A) Operating Lease**

The Company has entered into operating leases on its office buildings. These leases have terms of 10 to 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the year is ₹ 10.35 Lakhs (Previous Year: ₹ 10.35 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as follows:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Within one year	14.07	9.47
After one year but not more than five years	58.15	21.65
More than five years	81.63	43.71

The Company has also recognized lease equalization assets amounting to ₹ 1.65 Lakhs (Previous Year: ₹ 1.10 Lakhs) on account of escalation clause in the lease arrangement.

**Note No. 44. Disclosure as per Ind AS-27, Separate Financial Statement**

Interest in Joint Venture

Name of Entity	Place of Business/ Country Of Incorporation	Proportion Of Ownership Interest	
		As at 31.03.2022	As at 31.03.2021
Tesca Textiles & Seat Components (India) Private Ltd.	India	40.45%	40%

Nature of the business of Joint Venture Entity is Textile.

The Company's share of assets, liabilities, income and expenses of Joint Venture is as follows:

(₹ in Lakhs)

Name of the Joint Venture	Financial Year	Assets	Liabilities	Income	Expenses	Profit
Tesca Textiles & Seat Components (India) Private Limited	2021-22	1,701.92	1,350.59	3,078.69	3,176.04	(114.17)
	2020-21	1,501.86	1,201.53	2,550.08	2,476.74	61.79

**Note No. 45**

- (1) The amount of exchange differences (net) as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates' credited to the Statement of Profit & Loss is ₹ 873.38 Lakhs (Previous Year: ₹ 719.02 Lakhs).
- (2) In view of the management, the Company does not have a significant effect of Covid-19 during the current financial year. The inventories in the books thus does not contain any markdown which were created in previous years on account of Covid-19 for the year ended 31<sup>st</sup> March 2022.

**Note No. 46. Disclosure of Corporate social responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, the Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

A. Gross amount required to be spent by the Company during the year Current Year ₹ 65.00 Lakhs (Previous Year ₹ 60.00 Lakhs)

B. Amount approved by the Board to be spent during the year ₹ 65.00 Lakhs (Previous Year ₹ 60.00 Lakhs)

C. Amount spent during the year on:

(₹ in Lakhs)

Particulars	Financial Year 2021-22			Financial Year 2020-21		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction Ongoing Project	15.19	22.83	38.02	0.50	31.14	31.64
(ii) Purposes other than (i) & (ii) above	26.98	-	26.98	28.36	-	28.36

Note : -The Company has spent ₹ 24.16 Lakhs from "Unspent CSR account" (FY 2020-21) for Ongoing Project and amount remaining to be spent is ₹ 7.84 Lakhs as of 31<sup>st</sup> March 2022 which will be spent in subsequent years.

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(i) amount required to be spent by the Company during the year	65.00	60.00
(ii) amount of expenditure incurred,	42.17	28.86
(iii) shortfall at the end of the year,	22.83	31.14
(iv) total of previous years shortfall	7.84	-

(v) reason for shortfall : Since the project is long term hence unspent amount if any will be utilized with in the period a specified in the Companies Act, 2013.

(vi) nature of CSR activities:- The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

(vii) 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:None

(viii)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.:None

**Transfer of Unspent CSR Amount :** In Compliance of Section 135(6) of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the company has deposited sum of ₹ 23 Lakh to a dedicated account opened with schedule Bank, as Unspent Corporate Social Responsibility Account (UCSRA) for the year 2021-22. The company has taken up long term (ongoing) project called Nathelav Talab beautification and expansion project at Banswara. The money so deposited in the bank account shall be utilized for the following developmental activities over a period of three years i.e. during the financial year 2022-23, 2023-24 & 2024-25 .The brief description of above stated project is as under :-

- a) Building the entrance gate at the Nathelav Talab and fencing of the front side of talab.
- b) Construction of bridge to connect the two gardens.
- c) Installation of fountain to erate the water and beautification of the pond.
- d) Extension of walkway.
- e) Development and beautification of Ghat at the back of Talab.

#### **Note no. 47. Disclosure as per Ind AS 24 'Related party Disclosures'**

The Company has identified all the related parties as per details given below:

##### **1. List of Related Parties:**

###### **a) Joint Venture:**

Tesca Textiles & Seat Components (India) Private Limited

###### **b) Key Management Personnel:**

Shri Rakesh Mehra (Chairman)

Shri Ravindra Kumar Toshniwal (Managing Director)

Shri Shaleen Toshniwal (Joint Managing Director)

Shri J.K. Jain (Jt. President & Chief Financial Officer) [Upto 10 November 2021, (extended upto 01 December 2021, as requested)]

Shri H.P. Kharwal (Company Secretary)

Shri Pankaj Gharat (Chief Financial Officer) (from 03 May 2022)

**c) Independent/Non Executive Director**

Shri P.Kumar  
 Shri D.P.Garg  
 Shri S.B.Agarwal  
 ShriVijay Kumar Agarwal  
 Shri Kamal Kishore Kacholia  
 ShriVijay Mehta  
 Dr.Vijayanti Pandit  
 Shri J.M.Mehta  
 Shri David Vlerick

**d) Enterprises where Relative of Key Management Personnel has Control**

Aanswr Fashion Private Limited

**e) Relative of Key Management Personnel/Independent or Non Executive Director where transactions have taken place:**

Shri Rameshwar Lal Ravindra KrToshniwal HUF  
 Shri Ravindra Kumar Toshniwal HUF  
 Shri Dhruv Toshniwal  
 Shri Udit Toshniwal  
 Smt. Prem Toshniwal  
 Smt. Navneeta Mehra  
 Smt. Radhika Toshniwal  
 Smt. Sonal Toshniwal  
 Smt. Kavita Soni  
 Smt. Sushila Devi Jain  
 Smt. Anita Jain  
 Shri Garvit Jain  
 Shri J.K. Jain HUF  
 Smt. Suman Jain  
 Smt. Sonal Garg Pareek  
 Smt. Radha Devendra Pal Garg  
 Shri Saurabh Agarwal  
 Shri Saurabh Agarwal And Sons HUF  
 Shri SS Agarwal HUF  
 Smt. Sunita Agarwal

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Nature of transaction	Influence	2021-22	2020-21
<b>Tesca Textiles &amp; Seat Components (India) Private Limited</b>	Joint Venture		
Sales of Goods and Materials*		2,063.08	1,886.94
Purchase of Goods and Materials*		29.77	3.15
Rendering of Services*		466.11	472.42
Business Support Services*		0.96	1.21
Claim on Fabrics given		-	75.00
Purchase of Property, Plant & Equipments*		-	0.89
Investment made during the year		178.00	-
<b>Aanswr Fashion Private Limited</b>	Relative of Key Managerial Personnel has Control		
Sales of Goods and Materials*		251.45	56.54
Purchase of Goods and Materials*		21.44	-
Rendering of Services*		9.75	-
Reimbursement of Expenses		0.44	-
Claim on Garment given		14.49	-

Nature of transaction	Influence	2021-22	2020-21
<b>Remuneration</b>			
Shri Rakesh Mehra	Key Management Personnel	294.14	59.17
Shri Ravindra Kumar Toshniwal		208.28	67.19
Shri Shaleen Toshniwal		200.60	54.03
Shri J.K. Jain		100.79	51.57
Shri H P Kharwal		11.25	9.81
Shri Dhruv Toshniwal	Relative of Key Management Personnel	38.34	27.08
Shri Udit Toshniwal		31.49	21.26
Smt Kavita Soni		50.37	37.12
Smt Anita Jain		-	6.24
<b>Interest Expenses</b>			
Shri Ravi Toshniwal	Key Management Personnel	0.90	0.93
Shri Shaleen Toshniwal		8.68	8.91
Smt Prem Toshniwal		30.62	28.20
Smt Radhika Toshniwal		0.90	0.93
Smt Sonal Toshniwal		0.18	0.19
Shri Dhruv Toshniwal		-	0.19
Shri Udit Toshniwal		-	0.10
Smt Kavita Soni		10.97	27.75
Shri J.K. Jain HUF		0.05	0.81
Smt Anita Jain		0.08	0.81
Smt Sushila Devi Jain		-	1.28
Shri Garvit Jain		0.03	0.88
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	0.29	0.29
Shri Saurabh Agarwal & Sons HUF		1.98	1.28
Shri S.S. Agarwal HUF		1.41	0.93
Smt. Sonal Garg Pareek		0.90	1.04
Smt. Radha Devendra Pal Garg		0.45	0.52
Shri Saurabh Agarwal		0.54	0.04
Smt Suman Jain		0.29	0.29
Shri Vijay Mehta	Independent/Non Executive Director	9.50	4.20
Shri D.P. Garg		2.26	2.71
<b>Sitting Fees - Non Executive Directors</b>			
Shri S.B. Agarwal	Non Executive Director	6.00	1.65
Shri K.K. Kacholia		4.20	1.90
Shri P. Kumar		6.40	4.40
Shri D.P. Garg		3.80	1.60
Shri Vijay Mehta		4.20	1.75
Shri J.M. Mehta		5.00	1.45
Shri V.K. Agarwal		2.20	1.05
Dr. Vaijayanti Pandit		4.80	3.80
Shri David Vlerick		2.80	2.82

Nature of transaction	Influence	2021-22	2020-21
<b>Fixed Deposit Accepted</b>			
Shri Vijay Mehta	Independent/Non Executive Director	-	100.00
Shri D.P. Garg	Independent/Non Executive Director	-	50.00
Smt Prem Toshniwal	Relative of Key Management Personnel	87.00	-
Mr. Garvit Jain		-	5.00
Shri J.K. Jain HUF		-	10.00
Smt. Anita Jain		-	14.00
Shri Saurabh Agarwal And Sons HUF	Relative of Non Executive Director	2.00	18.00
Shri S S Agarwal HUF		-	9.00
Smt. Sonal Garg Pareek		-	20.00
Smt. Radha Devendra Pal Garg		-	10.00
Shri Saurabh Agarwal		-	6.00
<b>Fixed Deposit Repayment</b>			
Shri Ravi Toshniwal	Key Management Personnel	-	90.00
Shri D.P. Garg	Independent/Non Executive Director	50.00	-
Smt Prem Toshniwal	Relative of Key Management Personnel	-	-
Smt Radhika Toshniwal		-	20.00
Smt Kavita Soni		200.00	-
Smt. Sushila Devi Jain		-	21.00
Shri Dhruv Toshniwal		-	4.00
Shri Udit Toshniwal		-	2.00
Mr. Garvit Jain		5.00	11.00
Smt. Anita Jain		14.00	6.00
Shri J.K. Jain HUF		10.00	6.00
Smt. Radha Devendra Pal Garg	Relative of Non Executive Director	10.00	-
Smt. Sonal Garg Pareek		20.00	-
<b>Fixed Deposits Payable</b>			
Shri Ravi Toshniwal	Key Management Personnel	10.40	10.42
Shri Shaleen Toshniwal		98.89	99.06
Smt Prem Toshniwal	Relative of Key Management Personnel	403.63	315.16
Smt Radhika Toshniwal		10.40	10.42
Smt Sonal Toshniwal		2.08	2.08
Smt Kavita Soni		104.26	313.15
Shri J.K. Jain HUF		-	10.34
Smt Anita Jain		-	14.48
Shri Garvit Jain		-	5.17
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	3.13	3.13
Shri Saurabh Agarwal & Sons HUF		23.89	21.81
Shri S.S. Agarwal HUF		15.63	15.51
Smt. Sonal Garg Pareek		-	20.83
Smt. Radha Devendra Pal Garg		-	10.42
Shri Saurabh Agarwal		6.24	6.04
Smt Suman Jain		3.13	3.13
Shri Vijay Mehta	Independent/Non Executive Director	104.26	103.37
Shri D.P. Garg		-	52.07
<b>Investment</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	466.00	288.00

Nature of transaction	Influence	2021-22	2020-21
<b>Amount Payable</b>			
Shri Ravi Toshniwal	Key Management Personnel	44.80	-
Shri Rakesh Mehra		42.70	-
Shri Shaleen Toshniwal		44.80	-
Shri J.K. Jain		-	2.51
Shri H P Kharwal		0.74	0.44
Shri H P Kharwal (Received against Vehicle Scheme)		0.47	0.47
<b>Amount Receivable (net)</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	455.64	762.38
Aanswr Fashion Private Limited	Enterprises where Relative of Key Management Personnel has Control	135.05	54.02
<b>Security Deposit Payable</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	0.88	0.88

\*Above mentioned amount includes Goods and Services Tax (GST)

In respect of the outstanding balance recoverable from related parties as at 31<sup>st</sup> March 2022, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such parties.

#### Compensation to key managerial personnel of the Company

Nature of benefits#	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Short term employee benefits	764.92	241.77
Post-employment benefits	50.15	-
<b>Total</b>	<b>815.07</b>	<b>241.77</b>

#This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

#### Note no. 48. Disclosure as per Ind AS 37 'Provisions, contingent liabilities and contingent assets'

##### 1. Contingent liabilities:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Bills discounted/Purchased with banks remaining outstanding		
a) With Banks		
(i) Against foreign Letter of Credit (LC)	2,120.88	2,101.83
(ii) Against Inland Letter of Credit (LC)	49.54	431.02
b) With Others	581.74	-
Claims against the Group not acknowledged as debt:-		
(a) Under Tax Laws [payment made under protest ₹ 574.74 Lakhs (Previous Year ₹ 523.10 Lakhs) Shown under Non- Current Assets	2,491.26	2,268.59
(b) On account of electrical inspection fee (paid under protest ₹ 11 Lakhs (Previous Year ₹ 11 Lakhs)	23.78	23.78

There is no reimbursement possible on account of contingent liabilities.

##### 2. Capital Commitments:

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Estimated amount of contracts remaining to be executed on Capital account (net of advance)	4,164.76	336.88
Future Export obligation against EPCG licenses	1,728.00	1,621.36

**Note No. 49. Disclosure as per Ind AS 16 'Property, Plant and Equipment'**
**The carrying amounts of assets Hypothecated and Mortgage as security for current and non-current borrowings are:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	12,644.47	11,498.65
Term Deposits held as margin money	633.97	244.63
<b>Non-Financial Assets</b>		
Inventories	27,888.90	19,644.95
<b>Total Current assets Hypothecated as security</b>	<b>41,167.34</b>	<b>31,388.24</b>
<b>Non-Current Assets</b>		
Land	874.61	934.11
Building	11,282.81	11,939.81
Plant & Equipment	16,871.66	18,906.21
Furnitures	159.05	184.93
Others	1,453.47	1,118.58
Capital Work in Progress	2,891.60	27.42
Intangible Assets	229.07	293.85
<b>Total Non-Current assets Mortgage as security</b>	<b>33,762.27</b>	<b>33,404.91</b>
<b>Total Assets Hypothecated and Mortgage as security</b>	<b>74,929.61</b>	<b>64,793.14</b>

**Note No. 50. Disclosure as Per Ind AS 115 Revenue from Contracts with Customers**
**A. Applicability of Ind AS 115**

The Company has followed the IND AS 115 during the year. All service contracts have an original duration of one year or less and therefore the company uses practical expedient to not disclose unsatisfied performance obligations

**B. Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Type of goods or service</b>		
Sale of goods	1,15,829.93	76,715.21
Job Work Income	3,147.19	1,947.26
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.47</b>
Geographical markets		
India	64,636.91	46,165.06
Outside India	54,340.21	32,497.41
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.47</b>
Timing of revenue recognition		
Goods transferred at a point in time	1,15,829.93	76,715.21
Services transferred over time	3,147.19	1,947.26
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

**Contract Balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivables	12,644.47	11,498.65
Contract Liabilities	1,378.33	535.26

**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue as per contracted price	1,19,163.56	78,760.15
Adjustments	-	-
Rebate/Cash Discount	186.44	97.68
<b>Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

**Performance obligation**

Information about the Company's performance obligations are summarised below:

**a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the company expects to receive in exchange for those product. The performance obligation is satisfied upon delivery of goods and payment is generally due within 30 to 180 days from delivery. The contract generally provide customers with a right to early payment rebate which give rise to variable consideration subject to constraint.

**b) Income from Rendering of Services**

Income from sale of services is recognised when (or as) the company satisfies performance obligation by transferring promised services to the customer i.e. at a point in time.

**Note No. 51. Disclosure as per Ind AS 108 'Operating segment'**

- (a) The Company is engaged in production of textile products having integrated working and captive power generation. For management purpose, Company is organized into major operating activity of the textile products. The Company has no activity outside India except export of textile products manufactured in India. Thereby, no geographical segment and no segment wise information is reported.
- (b) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue from external customers	53,888.23	32,497.41
India	65,088.89	46,165.06
<b>Total</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

## Detail of Country wise Revenue from Major Countries

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Vietnam	3,265.73	257.20
Sri Lanka	2,630.73	3,287.07
South Korea	1,190.13	1,462.02
Turkey	8,829.45	3,389.12
United State of America	3,974.96	1,515.72
United Kingdom	1,720.01	2,780.01
Bangladesh	2,716.82	1,301.98
South Africa	2,890.63	1,814.86
Maxico	2,235.34	838.49
Others	24,434.44	15,850.93
<b>Total</b>	<b>53,888.23</b>	<b>32,497.41</b>

## Note No. 52. Disclosure as per Ind AS 107 'Financial instrument disclosure'

## A) 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 ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Gross Debt	26,188.11	22,707.97
Less : Cash and cash equivalents	1,874.91	770.44
Net Debt (A)	24,313.20	21,937.53
Total Equity (B)	40,014.37	35,736.76
Gearing Ratio (A/B)	0.61	0.61

## B) Financial risk management

## Financial Risk Management

The Company's principal financial liabilities comprise Borrowings, trade payables, Lease Liabilities and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, deposits & other assets.

## Company is exposed to following risk from the use of its financial instrument:

- (a) Credit Risk
- (b) Liquidity Risk
- (c) Market Risk
- (d) Foreign Currency Risk
- (e) Interest Rate Risk

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk at the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date.

**Other Financial Instruments and Cash & Cash Equivalent**

The Company maintain its cash & cash equivalent in current account to meet the day to day requirements, in fixed deposits for bank margin & to meet regulatory requirements for repayment of deposits. Other financial instruments are loan given to employee, Investment and Deposit. The Company's maximum exposure to credit risk for the component of the Balance Sheet as of 31 March 2022 & 31 March 2021 is the carrying amount as disclosed in Note 10,11,12,13,14 & 15.

**Provision for Expected Credit or Loss**

**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Ageing of trade receivables**

The Ageing of trade receivables is as below:

(₹ in Lakhs)

Ageing	0-180 days past due	181-365 days past due	1-2 years past due	2-5 years past due	Total
Gross Carrying amount as on 31.03.2022	12,908.84	279.97	155.34	658.23	14,002.38
Impairment loss recognised on above	264.36	279.97	155.34	658.23	1,357.91
Gross Carrying amount as on 31.03.2021	11,498.65	269.89	765.79	502.28	13,036.62
Impairment loss recognised on above	-	269.89	765.79	502.28	1,537.97

**(i) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:**

(₹ in Lakhs)

Particulars	On Demand	0 -1 years	1-5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2022</b>					
Term Loans*	-	3,551.07	8,053.20	760.77	12,365.04
Fixed Deposit Payable	-	403.64	1,816.00	-	2,219.64
Lease Liability	-	56.26	197.95	-	254.21
Trade Payables	-	14,767.47	-	-	14,767.47
Other Financial Liabilities	11,375.70	486.65	-	-	11,862.35
<b>Total</b>	<b>11,375.70</b>	<b>19,265.10</b>	<b>10,067.15</b>	<b>760.77</b>	<b>41,468.72</b>
<b>As at 31<sup>st</sup> March 2021</b>					
Term Loans*	-	4,709.70	10,417.50	1,033.62	16,160.82
Fixed Deposit Payable	-	800.83	2,285.00	-	3,085.83
Lease Liability	-	51.26	16.79	-	68.05
Trade Payables	-	10,121.02	-	-	10,121.02
Other Financial Liabilities	3,397.56	756.80	-	-	4,154.36
<b>Total</b>	<b>3,397.56</b>	<b>16,439.61</b>	<b>12,719.29</b>	<b>1,033.62</b>	<b>33,590.08</b>

\*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings.

Overdraft or other on demand loan facility, if any available with the Company to be disclosed, to the extent undrawn

**The Company had access to the following undrawn borrowing facilities at the end of the reporting period:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Floating rate borrowings</b>		
Term Loan	806.90	2,650.62
Cash Credit and Export Credit Packing Facility	11,050.78	23,406.74
<b>Total</b>	<b>11,857.68</b>	<b>26,057.36</b>

#### **(ii) Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the Managing Board.

#### **(iii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to mitigate its risk from foreign currency fluctuations.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign Currency in Lakhs)

Particulars	Currency	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Forward Contract to sell {Number of Contracts (Current Year 19 ; Previous Year 17)}	USD	130.70	88.41
Forward Contract to sell {Number of Contracts (Current Year Nil ; Previous Year 1)}	EURO	-	2.00

(b) Particulars of unhedged foreign currency exposure as at the reporting date

The currency profile of financial assets and financial liabilities as at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 are as below:**31<sup>st</sup> March, 2022**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	67.83	2.10	2.05	-	71.99
Cash & cash equivalents	-	-			-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	32.56	0.72	0.09	-	33.37

**31<sup>st</sup> March, 2021**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	44.19	3.49	1.92	0.11	49.70
Cash & cash equivalents	0.00	-			0.00
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	6.17	1.26	0.13	-	7.55

**Foreign Currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and other rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	26.39	1.15	1.94	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(26.39)	(1.15)	(1.94)	-

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2021			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	27.79	1.88	1.79	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(27.79)	(1.88)	(1.79)	-

The Company's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.

As at 31<sup>st</sup> March 2022 the Company does not have material exposure to listed or unlisted equity price risk.

#### (iv) Interest Rate Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest.

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Financial Assets		
<b>Fixed Rate Instruments</b>		
Loans	123.24	65.00
Bank Deposit	84.96	340.61
	<b>208.20</b>	<b>405.61</b>
<b>Variable Rate Instruments</b>		
Security Deposit	347.19	281.79
	<b>555.39</b>	<b>687.40</b>
<b>Total</b>		
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Security Deposit from Vendor	200.06	392.78
Deposits from Shareholders	2,219.64	3,085.83
	<b>2,419.70</b>	<b>3,478.61</b>
<b>Variable Rate Instruments</b>		
Term Loans	12,365.04	16,160.81
Loan repayable on demand	11,349.22	3,393.26
	<b>23,714.26</b>	<b>19,554.07</b>
<b>Total</b>	<b>26,133.96</b>	<b>23,032.68</b>

As at 31<sup>st</sup> March 2022, approximately 9.26 % of the Company's Borrowings are at fixed rate of interest (31<sup>st</sup> March 2021: 15.10%)

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Effect of Profit or Loss	
	50 BP increase	50 BP decrease
<b>31<sup>st</sup> March 2022</b>		
Term Loans	61.83	(61.83)
Loan repayable on demand	56.75	(56.75)
	<b>118.57</b>	<b>(118.57)</b>
<b>31<sup>st</sup> March 2021</b>		
Term Loans	80.80	(80.80)
Loan repayable on demand	16.97	(16.97)
	<b>97.77</b>	<b>(97.77)</b>

**Note No. 53. Disclosure as per Ind AS 113 'Fair Value Measurement'**
**Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:-

- (a) recognised and measured at fair value and;
- (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

Fair value are categorised into different level in a fair value hierarchy which are as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2 :** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

**Level 3 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.

**Valuation Techniques used to determine fair values:**
**A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- i) For financial instruments other than (ii) and (iii)- the use of quoted market prices.
- ii) For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- iii) For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**B) Financial Instruments By Category**

Set out below categorised table of financial instruments measured at FVTPL and Amortised Cost, no such instrument is measured at Fair value through Other Comprehensive Income (FVTOCI):-

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022			31 <sup>st</sup> March, 2021		
	At Cost	FVTPL	Amortized cost	At Cost	FVTPL	Amortized cost
<b>Financial Assets:</b>						
Investments in						
Equity instrument	-	3.91	-	-	3.44	-
Joint Venture	466.00	-	-	288.00	-	-
Others	-	-	-	-	-	-
Trade Receivables	-	-	12,644.47	-	-	11,498.65
Cash and Cash Equivalents	-	-	1,874.91	-	-	770.44
Bank balances other than cash and cash equivalent	-	-	1,141.21	-	-	1,008.99
Security deposit	-	-	347.19	-	-	281.79
Forward Contract Assets	-	43.86	-	-	55.59	-
Other Financial Assets	-	-	1,869.64	-	-	1,475.66
<b>Total Financial Assets</b>	<b>466.00</b>	<b>47.77</b>	<b>17,877.42</b>	<b>288.00</b>	<b>59.03</b>	<b>15,035.53</b>
<b>Financial Liability:</b>						
Borrowings	-	-	25,933.90	-	-	22,639.92
Lease Liabilities	-	-	254.21	-	-	68.05
Trade Payables	-	-	14,767.47	-	-	10,121.02
Other Financial Liabilities	-	-	513.13	-	-	761.10
Forward Contract Liability	-	-	-	-	-	-
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>41,468.72</b>	<b>-</b>	<b>-</b>	<b>33,590.08</b>

**C) Fair Value Hierarchy**

(₹ in Lakhs)

Financial Instrument measured at Fair Value - recurring fair value measurement	Level	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investments in Equity Instruments	Level 1	3.91	3.44
Others	Level 1	-	-
<b>Total</b>		<b>3.91</b>	<b>3.44</b>
Forward Contract Receivables	Level 3	43.86	55.59
<b>Total</b>		<b>43.86</b>	<b>55.59</b>

**D) Fair value disclosures of financial assets and liabilities**

Set out below is a comparison, by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value:

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Fair value through Statement of Profit and Loss</b>				
Investments in Equity Instruments	3.91	3.91	3.44	3.44
Investment in Joint Venture	466.00	466.00	288.00	288.00
Forward Contract Receivables	43.86	43.86	55.59	55.59
<b>Measured through amortized cost</b>				
Trade Receivables	12,644.47	12,644.47	11,498.65	11,498.65
Cash and Cash Equivalents	1,874.91	1,874.91	770.44	770.44
Bank balances other than cash and cash equivalent	1,141.21	1,141.21	1,008.99	1,008.99
Loan to Employees	123.24	123.24	65.00	65.00
Security deposit	347.19	347.19	281.79	281.79
Other Financial Assets	1,746.40	1,746.40	1,410.66	1,410.66
<b>Financial Liabilities</b>				
<b>Measured through amortized cost</b>				
Borrowings	25,933.90	25,933.90	19,314.70	19,314.70
Trade Payables	14,767.47	14,767.47	10,121.02	10,121.02
Other Financial Liabilities	767.34	767.34	4,154.36	4,154.36

## Note No. 54 Disclosure of Financial Ratios

(₹ in Lakhs)

Particulars	Numerator (₹ In Lakhs)	Denominator (₹ In Lakhs)	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	% of Variance
<b>Current Ratio</b> Current Asset/Current Liabilities	50,522.33	33,842.74	1.49	1.78	(16.18)
<b>Debt-Equity Ratio</b> Total Debt/Share Holder's Equity	25,933.90	40,014.37	0.65	0.63	2.30
<b>Debt Service Coverage Ratio</b> Earnings available for debt service/Debt Service	11,069.73	6,433.98	1.72	1.63	5.72
<b>Return on Equity Ratio (Refer Note No 1)</b> Net Profit After Tax/Average Share Holder's Equity	4,673.78	37,875.57	0.12	0.04	209.65
<b>Inventory turnover ratio (Refer Note No 2)</b> Sales/Average Inventory	1,18,977.12	23,766.93	5.01	3.63	38.07
<b>Trade Receivables turnover ratio (Refer Note 1)</b> Net Credit Sales/Average Accounts Receivables	1,18,977.12	12,071.56	9.86	6.17	59.84
<b>Trade payables turnover ratio (Refer Note 3)</b> Net Credit Purchase/Average Trade Payables	55,042.88	12,444.24	4.42	2.55	73.53
<b>Net capital turnover ratio (Refer Note 4)</b> Net Sales/Working Capital	1,18,977.12	16,679.59	7.13	4.65	53.43
<b>Net profit ratio (Refer Note 1)</b> Net Profit /Net Sales	4,673.78	1,18,977.12	0.04	0.02	121.79
<b>Return on Capital employed (Refer Note 1)</b> Earning Before Interest and Tax /Capital Employed	9,680.81	68,559.58	0.14	0.08	76.33
<b>Return on investment (Refer Note 5)</b> Profit on Sales of Investment/Investment	-	-	-	3.73	100.00

**Note:-**

1. Increase turnover with higher volumes and improved price realisation contributed to higher operational margins.

2 Increase Production on account of higher sales increase the inventory turnover ratio.

3. Increase turnover led to increase trade payables turnover ratio.

4. Increased operations led to increased working capital requirement.

5 In the previous year the company has sold equity shares which led variance with current year.

Note No. 55. Some of the balances shown under Trade Receivables, Advances and Trade Payables are subject to confirmation. The Company has been sending letter for confirmation to parties and does not expect any material dispute w.r.t. the recoverability/payment of the same.

**Note No. 56.****Additional Regulatory Information in Schedule III:**

- All the Title deeds of Immoveable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are in the name of the Company.
- The Company does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- The Company has not given any Loans or advances to specified persons during the year.
- Benami property : There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company had Borrowed secured Loan from Financial Institution and Banks against current assets
  - Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.
  - As returns/ statements of current assets are in agreement with the books of account, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed does not arise.
- Wilful Defaulter : the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

- (h) The Company does not have any transactions or relationship with Struck off Companies.
- (i) Registration of charges or satisfaction with Registrar of Companies  
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (j) The Company does not have subsidiary company hence question of Compliance under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 with number of layers of companies does not arise.
- (k) Detailed Ratio analysis given in note number 54.
- (l) There are no Scheme of Arrangements as on March 31<sup>st</sup>, 2022.
- (m) Utilisation of borrowings availed from banks and financial institutions The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilised for long term purposes.
- (n) Additional information to be disclosed by way of Notes to Statement of Profit and Loss
  - i) The Company does not have any undisclosed income as on March 31<sup>st</sup>, 2022.
  - ii) The Company does not have any Crypto Currency or Virtual Currency as on March 31<sup>st</sup>, 2022.
- (o) Utilisation of borrowed funds and share premium  
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries  
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**Note No. 57. Proposed Dividend**

The Board of Directors of the Company have proposed equity dividend of ₹ 2.50 per equity share in respect of the year ended 31<sup>st</sup> March 2022 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 427.90 lakhs.

**Note No. 58. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**
**A. Loans and advances in the nature of loans**

To Joint Venture : Nil

**B. Investment by the loanee : Nil**

**Note No. 59.** Certain Prior year amounts have been reclassified for consistency with the current period presentation. These reclassification have no effect on the reported results of Operations.

**Significant Accounting Policies 1**

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

**In terms of our Audit Report of even date: For and on behalf of the Board of Directors**

**For K.G. Somani & Co. LLP**

Chartered Accountants  
FRN – 06591N/N500377  
Sd/-

**Kavita Goyal**

Partner  
M.No.063419  
Place: New Delhi  
Date: 3<sup>rd</sup> May, 2022

Sd/-

**Rakesh Mehra**

DIN : 00467321  
Chairman  
Sd/-

**Shaleen Toshniwal**

DIN : 00246432  
Jt. Managing Director  
Sd/-

**J. K. Rathi**

President  
Place : Mumbai  
Date : 3<sup>rd</sup> May, 2022

Sd/-

**Ravindra Kumar Toshniwal**

DIN : 00106789  
Managing Director  
Sd/-

**Praduman Kumar**

DIN : 00179074  
Chairman(Audit Committee)  
Sd/-

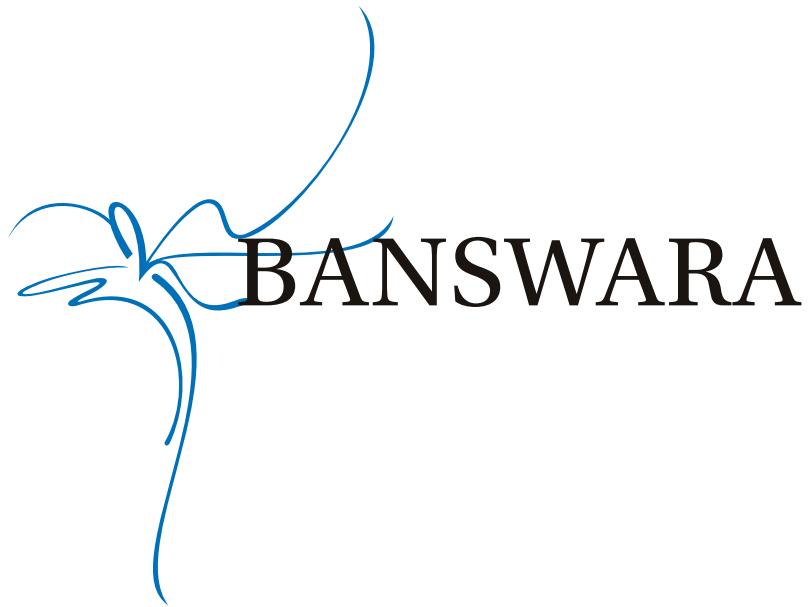
**Pankaj Gharat**

Chief Financial Officer

Sd/-

**H.P. Kharwal**

Company Secretary



## **Consolidated Financial Statements**

**INDEPENDENT AUDITOR'S REPORT**
**TO THE MEMBERS OF BANSWARA SYNTEX LIMITED**
**Report on the Audit of the Consolidated Ind AS Financial Statements**
**Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of **BANSWARA SYNTEX LIMITED** (hereinafter referred to as the 'Holding Company') and its Joint venture (Holding Company and its Joint Venture together referred to as "the Group") and its Joint venture, which comprise the Consolidated Balance Sheet as at **March 31<sup>st</sup>, 2022**, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 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 Consolidated state of affairs of the Group as at March 31<sup>st</sup>, 2022, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the Consolidated Ind AS financial statements in accordance with Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the Independence requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS 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 Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the matter
<b>Existence, Valuation of inventory and significant judgments, estimates relating to provision for obsolescence of slow and non-moving inventory</b>  Inventories aggregate to ₹ 27,889 Lakhs As At March 31 <sup>st</sup> , 2022, Inventory comprises of raw material including packing material, work in progress, finished goods and stores and spares. We have identified the inventories as key audit matter because it is material to the financial statements. Refer note 2(C)(6) and note 9 to the Ind AS financial statements.	<ul style="list-style-type: none"> <li>• We read and understood the Company's accounting policy for inventory valuation.</li> <li>• Obtained understanding of the management's process of inventory valuation and inventory physical verification performed at year end;</li> <li>• Observed the physical stock count process on a sample basis for selected locations by attending the physical stock-taking exercise conducted by management; further, we physically verified items on test check basis.</li> <li>• During the above said observation, noted whether the instructions given by senior management to stock count teams were followed,</li> <li>• We have also been provided the physical verification report covering major inventory which is certified by the Internal Audit Department. For the inventory lying with the third party, management has provided the confirmation obtained from the third parties</li> <li>• We obtained understanding of the inventory valuation process, and the assumptions used by the management in the process of calculation of inventory provision. We have tested management review controls and operating effectiveness of controls related to purchase, sales and Inventory verification.</li> </ul>

Key Audit Matter	How our audit addressed the matter
	<ul style="list-style-type: none"> <li>The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow-moving inventory which is recognised on a case-to-case basis based on the management's assessment. Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value.</li> <li>We tested the basis of computation of net realisable value including arithmetical accuracy, validity of the data used and provision for slow or non-moving inventory and obsolescence at the reporting date is appropriate, by assessing the methodology and assumptions adopted by management supported by analysis of historical data</li> <li>We performed cut off testing for purchase and sales transactions made near the reporting date to assess whether transactions are recorded in the correct period by testing appropriate records,</li> <li>Ensure that the closing Inventory valuation is in line with the Stock and Debtors statement furnished to the lenders for security purpose is reconciled with books of account on quarterly basis.</li> </ul>

#### **Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon**

The Holding's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated change in equity and Consolidated cash flows of the Group including its Joint venture in accordance with the accounting principles generally accepted in India, including the

Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with companies (Indian Accounting Standard) Rules, 2015, as amended from time to time.

The respective Board of Directors of the companies included in the Group and of its Joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its Joint venture are responsible for assessing the ability of the Group and of its Joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its Joint venture company are responsible for overseeing the financial reporting process of the Group and of its Joint venture company.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Consolidated Ind AS 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 Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding and its Joint venture which are Companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the

disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS financial statements.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statement that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

### **Other Matters**

The consolidated audited financial results include the Group's share of net loss of ₹ 111.36 Lakhs for the year ended March 31<sup>st</sup>, 2022 respectively as considered in the consolidated audited financial results, in respect of one Joint venture, whose financial statements / financial information / financial results have not been audited by us. These financial statements / financial information / financial results have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of one Joint venture is based solely on the reports of the other auditors and the procedures performed by us as stated in para "Auditor's Responsibilities" above.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters (a) with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (C) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its joint companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group, and its Joint venture refer Note No. 48 to the Consolidated Ind AS financial statements.
  - ii) Provision has been made in the Consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii) There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Joint Venture incorporated in India, read with Note 27 to the Consolidated Ind AS financials statement.
  - iv) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 

(ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Group had recorded in writing or otherwise, that the Group 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

- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v) (i) The final dividend proposed in the previous year, declared and paid by the Company during the year in accordance with Section 123 of the Act, as applicable.  
(ii) As stated in Note no. 57 to the Consolidated Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi) With respect to the matters specified in paragraphs 3(xxi) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its Joint Venture included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For K G Soman & Co LLP**  
**Chartered Accountants**  
**Firm Registration No: 06591N/N500377**

Sd/-  
**(Kavita Goyal)**  
**Partner**  
**Membership No: 063419**  
**UDIN: 22063419AIKIR6422**

**Place: New Delhi**  
**Date: 03<sup>rd</sup> May, 2022**

**"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of BANSWARA SYNTEX LIMITED**

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

We have audited the internal financial controls over financial reporting of **BANSWARA SYNTEX LIMITED** (hereinafter referred to as "the Holding Company") and its Joint venture (the Holding Company and its Joint venture together referred to as "the Group") as of **March 31<sup>st</sup>, 2022** in conjunction with our audit of the Consolidated Ind AS financial statements of the Group and its Joint venture for the year ended on that date. We did not audit the internal financial controls over financial reporting of one Joint Venture Company i.e. **Tesca Textiles & Seat Components (India) Private Limited** incorporated in India as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its Joint Venture which are companies incorporated in India, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Holding 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 as it appears from our examination of the books and records of the Holding company.

**Other Matters**

Our aforesaid report under Section 143(3)(l) of the Act include the information of the Holding Company and its Joint venture companies in respect of the adequacy and operating effectiveness of the internal financial controls over financial reporting. On the basis of report of other auditor in respect of Joint Venture Company audited by them Qualified Opinion is given which is reproduced below :-

**System of Issuance of credit note & third party balance confirmation**

"Controls/process relating to obtaining balance confirmation from trade payables and trade receivables by the company needs to be strengthened."

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

**For K G Soman & Co LLP****Chartered Accountants****Firm Registration No:06591N/N500377**

Sd/-

**(Kavita Goyal)****Partner****Membership No:063419****UDIN:22063419AIKIR6422****Place: New Delhi****Date: 3<sup>rd</sup> May, 2022**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31<sup>ST</sup> MARCH 2022**

(₹ In Lakhs)

PARTICULARS	Note No.	As at 31 <sup>ST</sup> March, 2022		As at 31 <sup>ST</sup> March, 2021	
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
(a) Property, Plant and Equipment	2	30,641.60		33,083.64	
(b) Right of Use Asset	3	571.37		388.19	
(c) Capital Work-in-Progress	4	2,891.60		27.42	
(d) Other Intangible Assets	5	229.07		293.85	
(e) Intangible Assets Under Development		-		40.96	
(f) Financial Assets					
(i) Investment in Joint Venture	6	332.87		266.23	
(ii) Others	7	665.12		621.29	
(g) Other Non-Current Assets	8	2,245.47		1,284.39	
		37,577.10		36,005.97	
<b>Current Assets</b>					
(a) Inventories	9	27,888.90		19,644.95	
(b) Financial Assets					
(i) Investments	10	3.91		3.44	
(ii) Trade Receivables	11	12,644.47		11,498.65	
(iii) Cash and Cash Equivalents	12	1,874.91		770.44	
(iv) Bank balances other than (iii) above	13	867.14		669.49	
(v) Loans	14	123.24		65.00	
(vi) Others	15	1,746.40		1,466.25	
(c) Other current assets	16	5,373.36		4,463.97	
		50,522.33		38,582.19	
<b>Total Assets</b>		<b>88,099.43</b>		<b>74,588.16</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
(a) Equity Share Capital	17	1,711.60		1,711.60	
(b) Other Equity	18	38,169.64		34,003.39	
		39,881.24		35,714.99	
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	19	10,629.97		13,736.13	
(ii) Lease Liabilities	20	197.95		16.79	
(b) Provisions	21	397.32		166.37	
(c) Deferred Tax Liabilities (Net)	22	2,611.31		2,702.28	
(d) Government Grant	23	538.90		589.20	
		14,375.45		17,210.77	
<b>Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	24	15,303.93		8,903.79	
(ii) Lease Liabilities	25	56.26		51.26	
(ii) Trade Payables	26				
a) Total outstanding dues of micro enterprises and small enterprises;		271.83		224.35	
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		14,495.64		9,896.67	
(iii) Other Financial Liabilities	27	513.13		761.10	
(b) Other Current Liabilities	28	2,500.49		1,509.14	
(c) Government Grant	23	82.34		82.34	
(d) Provisions	29	177.73		80.86	
(e) Current Tax Liabilities (Net)	30	441.39		152.89	
		33,842.74		21,662.40	
<b>Total Equity and Liabilities</b>		<b>88,099.43</b>		<b>74,588.16</b>	
<b>Significant Accounting Policies</b>		<b>1</b>			

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

<b>For K.G. Soman &amp; Co. LLP</b> Chartered Accountants FRN – 06591N/N500377 Sd/-	Sd/-	<b>Rakesh Mehra</b> DIN : 00467321 Chairman Sd/-	Sd/-	<b>Ravindra Kumar Toshniwal</b> DIN : 00106789 Managing Director Sd/-
<b>Kavita Goyal</b> Partner M.No.063419 Place: New Delhi Date: 3 <sup>rd</sup> May, 2022		<b>Praduman V. Kumar</b> DIN : 00179074 Chairman(Audit Committee) Sd/-		<b>Shaleen Toshniwal</b> DIN : 00246432 Jt. Managing Director Sd/-
		<b>J. K. Rathi</b> President Place : Mumbai Date : 3 <sup>rd</sup> May, 2022		<b>Pankaj Gharat</b> Chief Financial Officer Sd/-
				<b>H.P. Kharwal</b> Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

(₹ In Lakhs)

PARTICULARS	Note No.	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Income:</b>			
Sale of Products & Services	31	1,17,221.65	77,730.21
Other Operating Revenue	31	1,755.47	932.26
<b>Revenue From Operations</b>			
Other Income	32	1,18,977.12	78,662.47
		1,697.54	1,622.78
<b>Total Income (I)</b>		<b>1,20,674.66</b>	<b>80,285.25</b>
Expenses :			
Cost of Materials Consumed	33	56,363.83	30,249.32
Purchase of Traded Goods		-	6,089.07
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	34	(3,669.69)	1,170.29
Employee Benefits Expenses	35	22,085.00	15,314.54
Finance Costs	36	2,479.27	3,256.36
Depreciation And Amortization Expenses	37	4,185.99	4,647.52
Other Expenses	38	32,298.02	18,252.91
<b>Total Expenses(II)</b>		<b>1,13,742.42</b>	<b>78,980.01</b>
<b>Profit before exceptional items and tax (III) = (I-II)</b>			
Exceptional Item (IV)	39	6,932.24	1,305.24
		269.31	329.41
<b>Profit before share of Net Profit of Investment accounted using Equity Method and tax (V) = (III+IV)</b>			
Share of Profit of Joint Venture (VI)		7,201.55	1,634.65
		(111.74)	69.79
<b>Profit before tax (VII) = (V+VI)</b>		<b>7,089.81</b>	<b>1,704.44</b>
Tax Expense :			
(1) Current tax		2,854.12	450.21
Current Year		(0.21)	(0.76)
Tax Adjustment of Earlier Years		(326.14)	(196.08)
(2) Deferred Tax			
<b>Total Tax Expenses (VIII)</b>		<b>2,527.77</b>	<b>253.37</b>
<b>Profit After Tax (IX) = (VII)-(VIII)</b>		<b>4,562.04</b>	<b>1,451.07</b>
<b>Other Comprehensive Income</b>			
<b>A. Item that will not be reclassified to profit or loss</b>			
(i) Remeasurement of defined benefit plan		(214.32)	241.68
(ii) Tax relating to Remeasurement of defined benefit plan		74.89	(84.45)
(iii) Share of other comprehensive income of Joint Venture accounted Equity Method		0.38	0.42
<b>B. Item that will be reclassified to profit or loss</b>			
<b>Total Other Comprehensive Income (X)</b>		<b>(139.05)</b>	<b>157.65</b>
<b>Total Comprehensive Income for the Period (XI) = (IX+X)</b>		<b>4,422.99</b>	<b>1,608.72</b>
<b>Earnings per equity share (in ₹)</b>	40		
(1) Basic (Face Value of ₹ 10 each)		26.65	8.48
(2) Diluted (Face Value of ₹ 10 each)		26.65	8.48
<b>Significant Accounting Policies</b>	1		

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

**For K.G. Soman & Co. LLP**  
Chartered Accountants  
FRN – 06591N/N500377  
Sd/-

**Kavita Goyal**  
Partner  
M.No.063419  
Place: New Delhi  
Date: 3<sup>rd</sup> May, 2022

Sd/-  
**Rakesh Mehra**  
DIN : 00467321  
Chairman

Sd/-  
**Praduman V. Kumar**  
DIN : 00179074  
Chairman(Audit Committee)  
Sd/-  
**J. K. Rathi**  
President  
Place : Mumbai  
Date : 3<sup>rd</sup> May, 2022

Sd/-  
**Ravindra Kumar Toshniwal**  
DIN : 00106789  
Managing Director

Sd/-  
**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director  
Sd/-  
**Pankaj Gharat**  
Chief Financial Officer

Sd/-  
**H.P. Kharwal**  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

(₹ In Lakhs)

PARTICULARS	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>A) Cash Flow From Operating Activities :-</b>		
Net Profit Before Tax as per Statement of Profit and Loss	7,089.81	1,704.44
<b>Adjusted for :</b>		
Depreciation and Amortization Expenses	4,185.99	4,647.52
Unrealised Exchange (Gain)/Loss	61.79	(303.15)
Provision for Doubtful Trade Receivables	-	358.66
Impairment of Investments	-	(7.04)
Share of (Profit)/Loss of Joint Venture	111.74	(69.79)
Loss on Discard of Property, Plant & Equipment	29.14	-
Deferred Government Grant transferred to Statement of Profit and Loss	(82.34)	(81.96)
Loss/(Profit) on Sale of Property, Plant & Equipment (net)	(298.45)	(45.76)
Profit on Disposal of Investment	-	(290.69)
Interest Income	(186.88)	(153.12)
Interest paid	2,479.27	3,256.36
Fair value (gain)/loss transferred to Statement of Profit and Loss	(0.47)	(0.54)
Rental Income	(81.74)	(31.80)
Operating profit before working capital changes	6,218.04	7,278.69
<b>Adjusted for :</b>		
(Increase)/Decrease in trade & other receivables	13,307.86	8,983.13
(Increase)/Decrease in inventories	(3,033.12)	2,107.52
(Increase)/Decrease in Bank balance and Term Deposits other than Cash and Cash Equivalents	(8,243.95)	4,102.58
Increase/(Decrease) in trade and others payables	(197.65)	267.00
Cash generated from operations	5,689.50	(5,785.22)
Direc Tax paid (net of tax refund)	7,522.64	13,509.80
	2,255.35	266.42
<b>Net cash from operating activities (A)</b>	<b>5,267.29</b>	<b>13,243.38</b>
<b>B) Cash Flow From Investing Activities :-</b>		
Acquisition of Property, Plant and Equipment	(5,804.06)	(973.27)
Proceeds from sale of investment	-	362.69
Invesmtent in Joint Venture	(178.00)	-
Proceeds from sale of Property, Plant and Equipment	939.00	88.86
Government Grant Received	32.04	36.97
Term Deposit with Banks	21.58	42.65
Interest Income	186.88	153.12
Rent received	81.74	31.80
<b>Net cash used in investing activities (B)</b>	<b>(4,720.82)</b>	<b>(257.18)</b>
<b>C) Cash Flow From Financing Activities :-</b>		
Proceeds from Term Loan borrowings	1,555.72	8,111.00
Repayment of Term Loan borrowings	(5,262.29)	(4,775.70)
Interest paid	(2,608.65)	(3,251.11)
Increase /(Decrease) in bank borrowings	7,955.96	(12,921.87)
Proceeds from unsecured loans	379.00	587.00
Repayment of unsecured loans	(1,205.00)	(320.00)
Dividend Paid	(256.74)	-
<b>Net cash from financing activities (C)</b>	<b>558.00</b>	<b>(12,570.68)</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,104.47</b>	<b>415.52</b>
Opening balance of cash and cash equivalents	770.44	354.92
<b>Closing balance of cash and cash equivalents</b>	<b>1,874.91</b>	<b>770.44</b>

**Cash and Cash Equivalent includes:-**

PARTICULARS	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Cash on hand	46.19	27.36
Balance in current account	1,828.72	743.08
<b>Total</b>	<b>1,874.91</b>	<b>770.44</b>

**Note:**

1. The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
2. Figures in bracket indicate cash outflow.

**In terms of our Audit Report of even date: For and on behalf of the Board of Directors**

<b>For K.G. Somani &amp; Co. LLP</b> Chartered Accountants FRN – 06591N/N500377 Sd/- <b>Kavita Goyal</b> Partner M.No.063419 Place: New Delhi Date: 3 <sup>rd</sup> May, 2022	Sd/- <b>Rakesh Mehra</b> DIN : 00467321 Chairman Sd/- <b>Praduman V. Kumar</b> DIN : 00179074 Chairman(Audit Committee) Sd/- <b>J. K. Rathi</b> President Place : Mumbai Date : 3 <sup>rd</sup> May, 2022	Sd/- <b>Ravindra Kumar Toshniwal</b> DIN : 00106789 Managing Director Sd/- <b>Shaleen Toshniwal</b> DIN : 00246432 Jt. Managing Director Sd/- <b>Pankaj Gharat</b> Chief Financial Officer	Sd/- <b>H.P. Kharwal</b> Company Secretary
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Consolidated Statement of changes in Equity for the year ended 31<sup>st</sup> March 2022

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share of Equity Component directly credited to Equity	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2021</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>11,709.04</b>	<b>34,003.39</b>
Profit for the year	-	-	-	-	-	4,562.04	4,562.04
Other comprehensive income	-	-	-	-	-	(139.05)	(139.05)
Total comprehensive income	-	-	-	-	-	4,422.99	4,422.99
Transfer from Surplus	-	-	-	-	-	-	-
Dividends on Equity Shares for the year	-	-	-	-	-	(256.74)	(256.74)
<b>As at 31<sup>st</sup> March 2022</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>15,875.29</b>	<b>38,169.64</b>

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share of Equity Component directly credited to Equity	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2020</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>18,137.10</b>	<b>11,100.32</b>	<b>32,394.67</b>
Profit for the year	-	-	-	-	-	1,451.07	1,451.07
Other comprehensive income	-	-	-	-	-	157.65	157.65
Total comprehensive income	-	-	-	-	-	1,608.72	1,608.72
Transfer from Surplus	-	-	-	-	1,000.00	(1,000.00)	-
Dividends on Equity Shares for the year	-	-	-	-	-	-	-
<b>As at 31<sup>st</sup> March 2021</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>11,709.04</b>	<b>34,003.39</b>
<b>Significant Accounting Policies</b>	<b>1</b>						

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

In terms of our Audit Report of even date:

For and on behalf of the Board of Directors

**For K.G. Somani & Co. LLP**  
 Chartered Accountants  
 FRN – 06591N/N500377  
 Sd/-

**Kavita Goyal**  
 Partner  
 M.No.063419  
 Place: New Delhi  
 Date: 3<sup>rd</sup> May, 2022

Sd/-

**Rakesh Mehra**  
 DIN : 00467321  
 Chairman  
 Sd/-  
**Praduman V. Kumar**  
 DIN : 00179074  
 Chairman(Audit Committee)  
 Sd/-  
**J. K. Rathi**  
 President  
 Place : Mumbai  
 Date : 3<sup>rd</sup> May, 2022

Sd/-

**Ravindra Kumar Toshniwal**  
 DIN : 00106789  
 Managing Director  
 Sd/-  
**Shaleen Toshniwal**  
 DIN : 00246432  
 Jt. Managing Director  
 Sd/-  
**Pankaj Gharat**  
 Chief Financial Officer

Sd/-  
**H.P. Kharwal**  
 Company Secretary

**Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2022****1. Overview & Significant Accounting Policies****A. Corporate Information**

Banswara Syntex Limited ("the Group") is a Group domiciled in India and limited by shares (CIN: L24302RJ1976PLC001684). The shares of the Group are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Group's registered office is Industrial Area, Dahod Road subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable) and applicable provisions of the Companies Act,1956.

These Consolidated financial statements were authorized for issue by Board of Directors on 03<sup>rd</sup> May 2022.

**B. Statement of Compliance and Basis of Preparation****1. Compliance with Ind AS**

These Consolidated Financial Statements are prepared on going concern basis following accrual basis of accounting and comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent applicable) and applicable provisions of the Companies Act,1956.

**2. Basis of measurement/Use of Estimates**

(i) The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities (including derivatives instruments) that are measured at fair value. The methods used to measure fair values are discussed in notes no. 53 to financial statements.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(ii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major Estimates are discussed in Part D.

(iii) The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, Inventories, loans and Property, Plant & Equipment (Including Intangible assets). In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Group.

(iv) The impact of COVID-19 on the Group financial statements may differ from that estimated as at the date of approval of these financial statements.

**3. Recent Accounting Pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23<sup>rd</sup>, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2022. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual

periods beginning on or after April 1<sup>st</sup>, 2022, although early adoption is permitted. The Group has evaluated the amendment and the impact is not expected to be material.

#### 4. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Group's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals), except as stated otherwise.

#### 5. Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

### C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

#### 1. Basis of Consolidation

The financial statements of Joint venture are drawn up to the same reporting date as of the Group for the purpose of consolidation.

##### 1.1. Joint arrangements

Under Ind AS 111 'Joint Arrangements', investment in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has only joint venture.

##### Joint Venture

Interests in joint venture are accounted for using the equity method (see C.1.2 below), after initially being recognized at cost in the consolidated balance sheet.

##### 1.2. Equity Method

Under the equity method of accounting, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

Upon loss of internal control over joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

## 2. **Property, plant & equipment**

### 2.1. **Initial recognition and measurement**

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipments are measured at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset, inclusive of non-refundable taxes & duties, to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipments have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized.

### 2.2. **Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of Property, Plant and Equipment are recognized in the statement of profit and loss as incurred.

### 2.3. **Derecognition**

Property, Plant and Equipment are derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

### 2.4. **Depreciation**

Depreciation is recognized in statement of profit and loss on Straight Line Method (SLM) over the estimated useful life of property, plant and equipment as mentioned in Schedule II of the Companies Act, 2013, except in case of Plant & Machinery where the useful life has been taken as ascertained by the Independent Chartered Engineer and technical experts of the Group. The useful life of the Plant & Machinery so ascertained is ranging from 5 to 20 years on triple shift basis in certain plants as against the life of 15 years given in Part C of Schedule II of the Companies Act, 2013. Further, considering materiality of assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. The Group provide pro-rata depreciation from/to the date on which asset is acquired or put to use/disposed off as appropriate.

Leasehold lands are amortized over the lease term unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

### 3. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

### 4. Intangible assets and intangible assets under development

#### 4.1. Initial recognition and measurement:

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets acquired by the Group are measured on initial recognition at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

#### 4.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

#### 4.3. Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

#### 4.4. Amortization

Intangible assets having definite life are amortized on straight line method in their useful lives. Useful life of computer software is estimated at six years.

### 5. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – ‘Financial Instruments’ (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – ‘Leases’ and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to revenue as and when incurred.

### 6. Inventories

Inventories are valued at the lower of cost or net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable, slow moving/non-moving inventory is ascertained on review and provided for and shown as net of provision.

## 7. Cash and Cash Equivalent

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

## 8. Government Grants

Government grants are recognized only when its reasonable certainty that economics benefit flow to the entities and attached conditions will be compiled with it

Government Grants related to income are recognized in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for. Government Grant/subsidy related to subvention of a particular expense is deducted from that expense in the year of recognition of that Government grant/subsidy.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on straight –line basis over the expected lives of related assets and presented within other income.

## 9. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

## 10. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

## 11. Revenue

Revenue is to be recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services. To recognize revenues, the Group apply the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price,
- (4) Allocate the transaction price to the performance obligations in the contract
- (5) Recognize revenues when a performance obligation is satisfied.

Control implies the ability to obtain the benefits from and direct the usage of the asset while also preventing other entities from obtaining benefits and directing usage.

**a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the Group expects to receive in exchange for those products.

**b) Income from Rendering of Services**

Income from sale of services is recognised when (or as) the Group satisfies performance obligation by transferring promised services to the customer i.e. at a point in time.

**Other Export Benefit**

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income'. (Revenue from operation).

Export Benefits are accounted for in the year of export at net market realizable value.

**Interest Income**

For all financial instruments classified and measured at amortized cost, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit or loss.

**Dividend**

Dividend Income is recognized when the Group's right to receive is established which generally occurs when the shareholders approve the dividend.

**Other Income**

Other income is recognized in the statement of profit and loss when increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably

**Variable consideration**

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group has classified prompt payment discount i.e. cash discount as variable consideration and deducted from the sales consideration accordingly.

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

**Trade receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

## Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group 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 Group performs under the contract.

## 12. Employee Benefits

### 12.1 Short Term Employee Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 12.2 Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:

#### 12.2.1. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which the Group pays a fixed contribution and will have no further obligation.

#### 12.2.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Group pays Gratuity as per provisions of the Gratuity Act, 1972. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the Group, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income ("OCI") in the period in which they arise.

### 12.3 Other long-term employee benefits

Benefits under the Group's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits. The Group's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Actuarial gains or losses are recognized in statement of profit or loss in the period in which they arise. In case of funded plans, the fair value of plant asset is reduced from the gross obligation, to recognize the obligation on the net basis.

## 13. Taxes

Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Tax credit is recognized in respect of Minimum Alternative Tax (MAT) paid in terms of section 115JAA of the Income Tax, 1961 based on convincing evidence that the Group will pay normal income tax within statutory time frame and the same is reviewed at each balance sheet date. MAT credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Assets.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

## 14. Leases

### As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the

right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in the statement of financial position. (Refer note 3 & 20 respectively)

#### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **As a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### **Arrangements in the nature of lease**

The Group enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Group applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **15. Impairment of Non-financial Assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### **16. Dividends**

Dividends and interim dividends payable to a Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

### **17. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

### **18. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

## 19. Statement of Cash Flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows'.

## 20. 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.

### 20.1. Financial assets

#### Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

#### Subsequent measurement

##### Debt instruments at amortized cost

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate method ("EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

##### Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On Derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### Equity investments

All equity investments in entities are measured (except equity investment joint venture) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by

instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However the Group may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

#### **Equity investments in joint ventures are measured at cost.**

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:

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

#### **Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right or receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 if they do not contain a significant financing component.
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the Group applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

#### **Financial liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

##### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

### **Derivative financial instruments**

The Group uses forwards to mitigate the risk of changes in interest rates, exchange rate and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

## **D. Major Estimates made in preparing Financial Statements**

### **1. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Group reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Intangible assets is being amortized on straight line basis over the period of six years.

### **2. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

### **3. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

### **4. Asset Held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

**NOTE NO. '2' NON CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT**

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
Free Hold Land	934.11	-	59.50	874.61	-	-	-	-	874.61
Building (Refer Note Below)	14,313.69	-	279.21	14,034.49	2,373.88	476.46	98.67	2,751.68	11,282.81
Plant & Equipment	39,830.71	1,548.86	2,778.35	38,601.22	20,924.48	3,209.68	2,404.61	21,729.55	16,871.66
Electric & Water Supply Installation	1,261.52	0.79	-	1,262.30	723.03	110.81	-	833.83	428.47
Furniture & Fixtures	538.55	16.59	8.76	546.38	353.62	41.85	8.14	387.34	159.05
Office Equipments	563.72	43.70	6.02	601.40	426.92	46.22	5.72	467.42	133.98
Vehicles	469.03	316.33	146.24	639.12	226.69	54.86	120.39	161.16	477.96
Capital Spares	620.34	301.90	-	922.23	419.38	89.79	-	509.17	413.06
	<b>58,531.67</b>	<b>2,228.17</b>	<b>3,278.08</b>	<b>57,481.75</b>	<b>25,448.00</b>	<b>4,029.67</b>	<b>2,637.53</b>	<b>26,840.15</b>	<b>30,641.60</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
Free Hold Land	934.11	-	-	934.11	-	-	-	-	934.11
Building	14,231.11	82.58	-	14,313.69	1,890.78	483.10	-	2,373.88	11,939.81
Plant & Equipment	39,400.78	736.96	307.04	39,830.71	17,566.70	3,638.90	281.11	20,924.48	18,906.21
Electric & Water Supply Installation	1,244.90	16.62	-	1,261.51	596.92	126.11	-	723.03	538.49
Furniture & Fixtures	526.60	18.41	6.46	538.55	309.77	48.13	4.27	353.62	184.93
Office Equipments	536.45	29.53	2.26	563.72	374.81	54.13	2.02	426.92	136.80
Vehicles	512.66	28.19	71.82	469.03	232.17	51.60	57.08	226.69	242.33
Capital Spares	541.27	79.07	-	620.34	320.99	98.39	-	419.38	200.96
	<b>57,927.88</b>	<b>991.36</b>	<b>387.58</b>	<b>58,531.67</b>	<b>21,292.14</b>	<b>4,500.36</b>	<b>344.48</b>	<b>25,448.00</b>	<b>33,083.64</b>

**Note :-** The Company has also been allotted 876 Equity shares of M/s Rastogi Estate & Construction Co. (Pvt.) Ltd. to establish permanent ownership in respect of Building situated at Mumbai.

**NOTE NO. '3' NON CURRENT ASSETS:RIGHT OF USE ASSET (ROU)**

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
(Refer Note no 43)									
Land	352.00	-	-	352.00	28.14	6.66	-	34.79	317.21
Buildings	129.41	256.85	13.68	372.58	98.67	56.63	10.59	144.71	227.87
Plant & Machinery	56.49	-	-	56.49	22.91	7.29	-	30.20	26.29
<b>TOTAL</b>	<b>537.90</b>	<b>256.85</b>	<b>13.68</b>	<b>781.07</b>	<b>149.72</b>	<b>70.58</b>	<b>10.59</b>	<b>209.70</b>	<b>571.37</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
(Refer Note no 43)									
Land	352.00	-	-	352.00	21.48	6.66	-	28.14	323.86
Building	147.10	-	17.69	129.41	57.26	52.46	11.06	98.67	30.75
Plant & Machinery	24.62	31.87	-	56.49	12.31	10.60	-	22.91	33.58
<b>TOTAL</b>	<b>523.72</b>	<b>31.87</b>	<b>17.69</b>	<b>537.90</b>	<b>91.05</b>	<b>69.72</b>	<b>11.06</b>	<b>149.72</b>	<b>388.19</b>

## NOTE NO. '4' NON CURRENT ASSETS: CAPITAL WORK-IN-PROGRESS

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	As at 31.03.2022
<b>Capital Work In Progress for</b>				
- Buildings#	7.84	1,118.98	-	1,126.82
- Plant & Equipments	15.97	3,138.71	1,548.86	1,605.82
- Water & Electric Installation	-	97.33	0.79	96.54
- Furniture and Fixtures	-	16.59	16.59	-
- Office Equipements	-	43.70	43.70	-
- Vehicles	-	316.33	316.33	-
- Computer & Printers	-	2.44	-	2.44
- Capital Spares	3.61	358.27	301.90	59.98
<b>TOTAL</b>	<b>27.42</b>	<b>5,092.35</b>	<b>2,228.17</b>	<b>2,891.60</b>

#During the year the Company has capitalized Interest as per IND AS- 23 "Borrowing Cost" amounting to ₹ 23.47 Lakhs (Previous Year: ₹ Nil) For Building under construction situated at Daman Plant.

Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,883.76	7.84	-	-	2,891.60
	<b>2,883.76</b>	<b>7.84</b>	<b>-</b>	<b>-</b>	<b>2,891.60</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2020	Additions	Capitalized	As at 31.03.2021
<b>Capital Work In Progress for</b>				
- Buildings	31.66	58.76	82.58	7.84
- Plant & Equipments	24.87	728.06	736.96	15.97
- Water & Electric Installation	-	16.62	16.62	-
- Furniture and Fixtures	-	18.41	18.41	-
- Office Equipements	-	29.53	29.53	-
- Vehicles	-	28.19	28.19	-
- Capital Spares	2.98	79.70	79.07	3.61
<b>TOTAL</b>	<b>59.51</b>	<b>959.27</b>	<b>991.36</b>	<b>27.42</b>

Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	27.42	-	-	-	27.42
	<b>27.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27.42</b>

**NOTE NO. '5' NON CURRENT ASSETS: OTHER INTANGIBLE ASSETS**

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
Computer Software	525.91	20.96	-	546.87	232.06	85.74	-	317.80	229.07
	<b>525.91</b>	<b>20.96</b>	-	<b>546.87</b>	<b>232.06</b>	<b>85.74</b>	-	<b>317.80</b>	<b>229.07</b>

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2020	Additions	Disposals/ Adjustment	As at 31.03.2021	As at 1.04.2020	For the Year	Deductions/ Adjustments	Up to 31.03.2021	As at 31.03.2021
Computer Software	487.59	38.32	-	525.91	154.61	77.45	-	232.06	293.85
	<b>487.59</b>	<b>38.32</b>	-	<b>525.91</b>	<b>154.61</b>	<b>77.45</b>	-	<b>232.06</b>	<b>293.85</b>

**Intangible assets under development**

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	Written Off/ Discard	As at 31.03.2022
-Computer Software	40.96	5.00	20.96	25.00	-
<b>TOTAL</b>	<b>40.96</b>	<b>5.00</b>	<b>20.96</b>	<b>25.00</b>	<b>-</b>

**Intangible assets under development**

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2020	Additions	Capitalized	Written Off/ Discard	As at 31.03.2021
-Computer Software	-	40.96	-	-	40.96
<b>TOTAL</b>	<b>-</b>	<b>40.96</b>	<b>-</b>	<b>-</b>	<b>40.96</b>

**Intangible assets under development aging schedule**

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	40.96	-	-	-	40.96
	<b>40.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40.96</b>

**NOTE NO. '6' NON CURRENT FINANCIALS ASSETS : INVESTMENT IN JOINT VENTURES**

(₹ in Lakhs)

Particulars	No.of shares/ C.Y./P.Y.)	Face value per share/ C.Y./P.Y.)	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Investment in Equity Instrument fully paid up (Unquoted)</b> Tesca Textiles & Seat Components (India) Private Limited	3236000 2880000	10 (10)	332.87	266.23
<b>TOTAL</b>			<b>332.87</b>	<b>266.23</b>
<b>Aggregate value of Unquoted Investment</b>			<b>332.87</b>	<b>266.23</b>

C.Y.=Current Year; P.Y.=Previous Year

## NOTE NO. '7' OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considerd Good</b>		
Security Deposits	347.19	281.79
Term deposits held as margin money* (with maturity more than 12 months)	131.99	48.74
Term deposits held against Deposit Repayment Reserve (with maturity more than 12 months)	122.98	280.72
Other Term Deposits (with maturity more than 12 months)	56.60	2.69
Interest Accured on Term deposits	6.36	7.35
<b>TOTAL</b>	<b>665.12</b>	<b>621.29</b>

\*To avail Non fund based facilities from banks

## NOTE NO. '8' OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considerd Good</b>		
Capital Advances	836.49	130.74
<b>Advance Other than Capital Advances</b>		
Lease Equalization Asset	1.65	1.10
Paid Under Protest to Others	11.00	11.00
Prepaid Expenses	7.66	19.16
Advance Income Tax (Net of Provision of ₹ 2,537.45 Lakhs, {Previous Year ₹ 2,422.74 Lakhs})*	814.13	599.29
Income Tax Paid Under Protest	574.54	523.10
<b>TOTAL</b>	<b>2,245.47</b>	<b>1,284.39</b>

\*The Company is claiming deduction under section 80IA of the Income Tax Act, 1961 on its income from Thermal Power Plant In the books of account based on the Hon'ble Rajasthan High Court Decision in favour of other assessee.

## NOTE NO. '9' INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
(At the lower of Cost and Net Realizable Value)		
Raw Materials	9,581.98	6,107.02
Works-in-Progress	6,247.14	3,321.44
Finished goods		
Yarn	4,964.86	3,434.12
Cloth (Processed)	3,220.42	3,923.62
Garment	1,407.15	1,508.72
Stores & Spares	2,306.12	1,206.81
Waste	161.23	143.22
<b>TOTAL</b>	<b>27,888.90</b>	<b>19,644.95</b>

## The above inventories includes goods in transit as under

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Finished goods		
Yarn	607.78	308.26
Cloth (Processed)	422.15	340.79
Garment	192.88	23.02
<b>TOTAL</b>	<b>1,222.81</b>	<b>672.07</b>

9.1 Inventories include stocks lying with third parties ₹ 199.30 Lakhs (Previous Year ₹ 46.79 Lakhs)

9.2 Inventories are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.

## NOTE NO. '10' CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in Lakhs)

Particulars	No. of shares/ C.Y. / (P.Y.)	Face value per share/units C.Y. / (P.Y.)	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Measured at fair value through Statement of profit and loss Quoted</b>				
<b>In Equity Shares</b>				
Union Bank of India	10114 (10114)	10 (10)	3.91	3.44
<b>Unquoted</b>				
<b>In Equity Shares</b>				
Ambojini Property Developers Private Limited	360 (360)	10 (10)	0.07	0.07
<b>Unquoted</b>				
<b>In Debentures</b>				
10% Ambojini Property Developers Private Limited	3542 (3542)	100 (100)	6.97	6.97
Less : Impairment of Investments			(7.04)	(7.04)
<b>TOTAL</b>			<b>3.91</b>	<b>3.44</b>

C.Y. = Current Year ; P.Y. = Previous Year ;

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>In Equity (Quoted)</b>		
Aggregate Book Value	18.87	18.87
Aggregate Market Value	3.91	3.44
Impaired	14.96	15.43
<b>In Equity (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	0.07	0.07
<b>In Debenture (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	6.97	6.97

## NOTE NO. '11 CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivables, Unsecured		
- Trade Receivables considered good	12,613.54	11,441.25
- Trade Receivables which have significant increase in credit risk	30.93	57.40
- Trade Receivables-credit impaired	1,357.91	1,537.97
Less: Impairment allowance for doubtful trade receivables	14,002.38	13,036.62
<b>TOTAL</b>	<b>12,644.47</b>	<b>11,498.65</b>

## For Trade Receivables outstanding ageing schedule

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	12,613.54	-	-	-	-	12,613.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	14.08	6.02	10.84	-	-	30.93
(iii) Undisputed Trade Receivables – credit impaired	281.22	273.96	144.09	103.56	206.51	1,009.34
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	9.01	339.57	348.57
	<b>12,908.84</b>	<b>279.97</b>	<b>154.92</b>	<b>112.57</b>	<b>546.08</b>	<b>14,002.38</b>

## For Trade Receivables outstanding ageing schedule

As at 31<sup>st</sup> March, 2021

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	11,441.25	-	-	-	-	11,441.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	11.74	-	31.34	-	14.32	57.40
(iii) Undisputed Trade Receivables – credit impaired	45.66	274.78	729.56	52.82	117.59	1,220.41
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	34.12	283.44	317.56
	<b>11,498.65</b>	<b>274.78</b>	<b>760.90</b>	<b>86.94</b>	<b>415.35</b>	<b>13,036.62</b>

a) Trade receivables are hypothecated to the banks for availing the fund based and non-fund based working capital facilities.

## b) Amount Receivables from Related Parties (Refer Note 47)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Tesca Textiles & Seat Components (India) Private Limited (A Joint Venture Company)	455.64	762.38
Aanswr Fashion Private Limited	135.05	54.02

## MOVEMENT IN IMPAIRMENT ALLOWANCE FOR DOUBTFUL TRADE RECEIVABLE

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Balance at the beginning of the year	1,537.97	1,189.43
Impairment Allowance for the year	-	358.66
Write off Trade Receivables (net of recovery)	(180.06)	(10.12)
Balance at the end of the year	1,357.91	1,537.97

**NOTE NO. '12' CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>A. Balances with Banks</b>		
-Current Account	1,828.72	743.08
<b>B. Cash On Hand</b>	46.19	27.36
<b>TOTAL</b>	<b>1,874.91</b>	<b>770.44</b>

**NOTE NO '13' BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Unpaid Dividend Account	22.18	26.85
Unspent CSR Account	7.84	-
Term Deposits held as margin money* (with maturity more than 3 months & less than 12 months)	501.98	195.89
Term deposits held against Deposit Repayment Reserve (with maturity more than 3 months & less than 12 months)	280.72	108.83
Other Term Bank Deposits (with maturity more than 3 months & less than 12 months)	28.36	314.21
Interest Accured on Term deposits	26.06	23.71
<b>TOTAL</b>	<b>867.14</b>	<b>669.49</b>

\*To avail Non fund based facilities from banks.

**NOTE NO. '14' CURRENT FINANCIAL ASSETS: LOANS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, Considered good</b>		
Loans & Advances to Employees	123.24	65.00
Advance Income Tax and Tax deducted at source	2,337.84	383.70
Less: Provision for Taxation (as per contra)	2,337.84	383.70
<b>TOTAL</b>	<b>123.24</b>	<b>65.00</b>

**NOTE NO. '15' OTHER CURRENT FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good</b>		
Forward Contract Receivables	43.86	55.59
Other Claim Receivables	181.94	601.17
Export Incentive Receivables	1,520.60	809.49
<b>TOTAL</b>	<b>1,746.40</b>	<b>1,466.25</b>

**NOTE NO. '16' OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Unsecured, considered good, unless otherwise stated</b>		
<b>Advances Other than Capital Advance</b>		
Advance to Suppliers	2,094.60	2,125.92
Recoverable from Revenue Authorities : Considered Good	3,126.84	2,187.48
Recoverable from Revenue Authorities : Considered Doubtful	29.57	71.52
Prepaid Expenses	151.92	150.57
Impairment allowance for doubtful recoverable from revenue Authorities	5,402.93	4,535.49
	29.57	71.52
<b>TOTAL</b>	<b>5,373.36</b>	<b>4,463.97</b>

## NOTE NO. '17 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Authorized</b>		
6,08,50,000 Equity Shares of ₹ 10/- each	6,085.00	6,085.00
(6,08,50,000 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
5,00,000 3% Redeemable Preference Shares of ₹ 100/- each	500.00	500.00
(5,00,000, 3% Redeemable Preference Share of ₹ 100/- each as at 31 <sup>st</sup> March 2021)		
3,00,000 3% Redeemable Cumulative Preference Shares of ₹ 100/- each	300.00	300.00
(3,00,000 3% Redeemable Cumulative Preference Share of ₹ 100/- each As at 31 <sup>st</sup> March 2021)		
	<b>6,885.00</b>	<b>6,885.00</b>
<b>Issued</b>		
1,71,43,057 Equity Shares of ₹ 10/- each	1,714.31	1,714.31
(1,71,43,057 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
	<b>1,714.31</b>	<b>1,714.31</b>
<b>Subscribed and fully Paid</b>		
1,71,16,042 Equity Shares of ₹ 10/- each	1,711.60	1,711.60
(1,71,16,042 Equity Shares of ₹ 10/- each as at 31 <sup>st</sup> March 2021)		
	<b>1,711.60</b>	<b>1,711.60</b>

## 17.1 Reconciliation of Number of Equity Shares Outstanding

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>At the beginning of the year</b>	<b>1,71,16,042</b>	<b>1,71,16,042</b>
<b>At the end of the year</b>	<b>1,71,16,042</b>	<b>1,71,16,042</b>

## 17.2 Rights, preferences and restrictions to the shareholders: Equity Shares

All equity shareholders are having right to get dividend in proportion to paid up value of each equity share as and when declared.

The Company has equity shares having at par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

17.3a Shares held by promoters at the end of the year 31<sup>st</sup> March 2022

Promoter name	No. of Shares	% of total shares	% Change during the year
1 Smt. Kavita Soni	5,94,053	3.47	1.33
2 Shri Shaleen Toshniwal	21,40,745	12.51	-
3 Smt. Sonal Toshniwal	8,33,055	4.87	-
4 Smt. Navnita Mehra	6,02,638	3.52	-
5 Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-
6 Smt. Prem Toshniwal	8,96,359	5.24	-
7 Smt. Radhika Toshniwal	11,82,482	6.91	-
8 Shri Dhruv Ravindra Kumar Toshniwal	85,000	0.50	15.00
9 Shri Udit Ravindra Toshniwal	1,00,000	0.58	-
10 Shri Rakesh Mehra	6,061	0.04	-
11 Niral Trading Pvt. Ltd.	5,61,665	3.28	-
12 Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-
13 Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-
14 Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-

**17.3b Shares held by promoters at the end of the year 31<sup>st</sup> March 2021**

Promoter name		No. of Shares	% of total shares	% Change during the year
1	Smt. Kavita Soni	6,02,075	3.52	-
2	Shri Shaleen Toshniwal	21,40,745	12.51	-
3	Smt. Sonal Toshniwal	8,33,055	4.87	-
4	Smt. Navnita Mehra	6,02,638	3.52	-
5	Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-
6	Smt. Prem Toshniwal	8,96,359	5.24	-
7	Smt. Radhika Toshniwal	11,82,482	6.91	-
8	Shri Dhruv Ravindra Kumar Toshniwal	1,00,000	0.58	-
9	Shri Udit Ravindra Toshniwal	1,00,000	0.58	-
10	Shri Rakesh Mehra	6,061	0.04	-
11	Niral Trading Pvt. Ltd.	5,61,665	3.28	-
12	Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-
13	Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-
14	Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-

**17.4 Details of Shareholder's holding more than 5% of each class of shares issued by the Company -**

Name of shareholder	As at 31 <sup>st</sup> March, 2022		As at 31 <sup>st</sup> March, 2021	
	No. of Shares	% of Shares	No. of Shares	% of Shares
<b>Equity Shares</b>				
Shri Ravindra Kumar Toshniwal	22,48,667	13.14%	22,48,667	13.14%
Shri Shaleen Toshniwal	21,40,745	12.51%	21,40,745	12.51%
Smt. Radhika Toshniwal	11,82,482	6.91%	11,82,482	6.91%
Smt. Prem Toshniwal	8,96,359	5.24%	8,96,359	5.24%
Cofipalux Invest S A	11,31,787	6.61%	-	-
Kotak Mahindra (International) Limited	-	-	12,89,556	7.53%

**NOTE NO. '18' OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Reserves and Surplus</b>		
Capital Reserve	20.43	20.43
Capital Redemption Reserve	173.00	173.00
Securities Premium	2,959.00	2,959.00
Share of Equity Component directly credited to equity of Joint Venture	4.82	4.82
General Reserve	19,137.10	19,137.10
Retained Earnings	15,875.29	11,709.04
<b>TOTAL</b>	<b>38,169.64</b>	<b>34,003.39</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>(A) Capital Reserve</b>		
Opening Balance	20.43	20.43
Closing Balance	20.43	20.43
<b>(B) Capital Redemption Reserve</b>		
Opening Balance	173.00	173.00
Closing Balance	173.00	173.00
<b>(C) Securities Premium</b>		
Opening balance	2,959.00	2,959.00
Closing Balance	2,959.00	2,959.00
<b>(D) Share of Equity Component</b>		
Opening balance	4.82	4.82
Closing Balance	4.82	4.82
<b>(D) General Reserve</b>		
Opening Balance	19,137.10	18,137.10
Add: Transfer from Surplus	-	1,000.00
Closing Balance	19,137.10	19,137.10
<b>(E) Retained Earnings</b>		
Opening Balance	11,709.04	11,100.32
Add : Profit for the year	4,562.04	1,451.07
Add: Remeasurement Gain/(Loss) of defined benefit plan	(139.05)	157.65
Less : Transfer to General Reserve	-	1,000.00
Less : Final Dividend on Equity Shares	256.74	-
	15,875.29	11,709.04
<b>Total</b>	<b>38,169.64</b>	<b>34,003.39</b>

**NOTE NO. '19' NON CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>TERM LOAN (SECURED) FROM BANK AND FINANCIAL INSTITUTIONS</b>		
<b>IDBI BANK LIMITED</b>		
Term Loan - II		
Repayable in 30 variable quarterly installments	80.94	204.34
Term Loan - III		
Repayable in 30 variable quarterly installments	50.49	127.49
Term Loan - IV		
Repayable in 30 variable quarterly installments	120.49	304.09
Term Loan - V		
Repayable in 30 variable quarterly installments	866.87	1,010.87
Term Loan - VI		
Repayable in 32 variable quarterly installments	248.78	295.78
Term Loan (GECL 2.0 Loan)		
Repayable in 48 equal monthly installments	483.70	494.00

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>EXPORT IMPORT BANK OF INDIA</b>		
Term Loan - II	-	139.00
Repayable in 24 variable quarterly installments	-	
Term Loan - VII	-	177.32
Repayable in 26 variable quarterly installments	-	
<b>BANK OF BARODA</b>		
Term Loan - III	-	677.10
Repayable in 27 variable quarterly installments	-	
Term Loan - IV	456.62	915.15
Repayable in 32 variable quarterly installments	-	
<b>PUNJAB NATIONAL BANK</b>		
Term Loan - III	125.00	378.31
Repayable in 32 variable quarterly installments	-	
Term Loan (COVID-19)	363.19	1,825.23
Repayable in 18 equal monthly installments	-	
Term Loan (GECL 2.0 Loan)	2,654.33	2,895.40
Repayable in 48 equal monthly installments	-	
<b>BANK OF INDIA</b>		
Term Loan (GECL 2.0 Loan)	3.54	500.11
Repayable in 48 equal monthly installments	-	
<b>UNION BANK OF INDIA</b>		
Term Loan - III	1,050.27	1,300.34
Repayable in 32 variable quarterly installments	-	
Term Loan - IV	1,178.17	1,353.21
Repayable in 32 variable quarterly installments	-	
Term Loan - V	467.83	547.85
Repayable in 32 variable quarterly installments	-	
Term Loan - VI	988.38	1,086.61
Repayable in 32 variable quarterly installments	-	
Term Loan - VII	439.21	483.87
Repayable in 32 variable quarterly installments	-	
Term Loan - VIII	842.69	219.23
Repayable in 32 equal quarterly installments	-	
Term Loan - IX	1,273.73	452.84
Repayable in 32 equal quarterly installments	-	
Term Loan (GECL 2.0 Loan)	670.81	772.67
Repayable in 48 equal monthly installments	-	
<b>Sub-Total (A)</b>	<b>12,365.04</b>	<b>16,160.81</b>
<b>Less : Current Maturities</b>		
IDBI Bank Ltd.	599.42	574.29
Export-Import Bank of India	-	316.32
Bank of Baroda	302.62	1,064.25
Punjab National Bank	1,225.90	1,918.64
Bank of India	3.54	10.53
Union Bank of India	1,419.59	825.65
<b>Sub-Total (B)</b>	<b>3,551.07</b>	<b>4,709.68</b>
<b>Total (I) = (A-B)</b>	<b>8,813.97</b>	<b>11,451.13</b>

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Fixed Deposits (Unsecured)</b>		
From Directors (Including Independent Directors)	213.56	264.92
From Others	2,006.08	2,820.91
Includes ₹ 572.40 Lakhs (Previous years ₹ 751.66 Lakhs) from related parties	2,219.64	3,085.83
Less : Current Maturities	403.64	800.83
<b>Total (II)</b>	<b>1,816.00</b>	<b>2,285.00</b>
	<b>10,629.97</b>	<b>13,736.13</b>

### 19.1 Securities/Guarantees

#### A. For Term Loans from Financial Institutions and Banks:

- (i) Terms Loans from Financial Institutions and Banks are secured by a joint equitable mortgage and /or hypothecation charges ranking pari-passu on immovable/movable properties situated at Banswara, Daman and Surat, both present and future of the Company and are also secured by second charge on current assets of the Company ranking pari-passu.
- (ii) Term Loans and Working Capital Term Loans from Financial Institutions and Banks amounting to ₹ 6,821.90 Lakhs (Previous Year ₹ 7,414.51 Lakhs) are guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per sanctions of the respective Financial Institutions and Banks.
- (iii) Term Loan and Working Capital Term Loan Interest rate ranging from 7.80 % to 10.40% (Previous Year 7.80% to 12.50%)
- (iv) Working Capital Term Loans from Banks are secured by first charge on current assets of the Company ranking pari-passu and are also secured by second charge on fixed assets of the Company ranking pari-passu.
- (v) Term Loan from Punjab National Bank Under Covid-19 Emergency Credit Facility (CECF) is secured by extention of charges on all exiting primary and collectoral security on pari-passu basis and also personally guranteed Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per the sanction of the Bank.
- (vi) The Company has repaid term loan amounting to ₹ 669.23 Lakhs over and above the scheduled term loan repayments.

#### B. For Fixed deposits

- (i) Fixed Deposits accepted by the Company are in accordance with the provisions of section 73(2)(a) and section 76 of the Companies Act, 2013 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 are unsecured. Fixed Deposits are repayable within 1 to 3 years depending upon the terms of deposits.
- (ii) Fixed Deposits Interest rate ranging from 8.50% to 9.50% (Previous Year 8.50 % to 9.50%).

### NOTE NO. '20' NON CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Lease Liability</b>		
Less : Current Maturities	254.21	68.05
Long term maturities of finance lease obligation (III)	56.26	51.26
<b>Lease Liability Secured</b>	<b>197.95</b>	<b>16.79</b>
<b>Lease Liability Unsecured</b>	<b>3.11</b>	<b>14.65</b>
<b>Total (I+II+III)</b>	<b>197.95</b>	<b>16.79</b>

## NOTE NO. '21' NON CURRENT LIABILITIES: PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Provisions for Employee benefits</b>		
- Gratuity	221.61	14.83
Less : Short Term	76.10	14.83
	145.51	-
- Leave Encashment	353.44	232.40
Less : Short Term	101.63	66.03
	251.81	166.37
<b>Total</b>	<b>397.32</b>	<b>166.37</b>

 As of 31<sup>st</sup> March, 2022

Movement of Provision as required by Para 84 of IND AS 37	Gartuity	Leave Encashment
Opening Balance	14.83	232.40
Add : Provision made during the year	206.78	121.04
Closing Balance	221.61	353.44

 As of 31<sup>st</sup> March, 2021

Movement of Provision as required by Para 84 of IND AS 37	Gartuity	Leave Encashment
Opening Balance	494.59	287.48
Less : Amount utilized during the year	479.76	55.08
Closing Balance	14.83	232.40

## NOTE NO. '22' NON CURRENT LIABILITIES: DEFERRED TAX LIABILITIES (Net)

Considering accounting procedure prescribed by the IND AS 12 "Income Taxes", the following amounts have been worked out and provided in books:

## Major components of deferred tax balances

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deferred Tax Liabilities</b>		
I) Difference between accounting and tax depreciation	3,857.85	4,153.54
<b>TOTAL (I)</b>	<b>3,857.85</b>	<b>4,153.54</b>
<b>Deferred Tax Assets</b>		
I) Provision for doubtful Trade Receivables /Advances	474.51	537.43
ii) Disallowances under section 43B of Income Tax, 1961	468.72	480.38
iii) Employee Benefits	200.95	86.39
iv) Deferred Tax on Account of Deferred Government Grant	69.64	79.37
v) Lease Equilazation Assets	0.58	0.37
vi) MAT Credit Entitlement	32.14	267.32
<b>TOTAL (II)</b>	<b>1,246.54</b>	<b>1,451.26</b>
<b>Net Deferred Tax Liabilities (I-II)</b>	<b>2,611.31</b>	<b>2,702.28</b>

## NOTE NO. '23' GOVERNMENT GRANT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Non Current</b>		
Deferred Income	538.90	589.20
<b>Current</b>		
Deferred Income	82.34	82.34
<b>Total</b>	<b>621.24</b>	<b>671.54</b>

**Government Grant: Movement during the year:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>At the beginning of the year</b>	671.54	716.53
Add: Received during the Year	32.04	36.97
Less: Transferred to statement of profit and loss	82.34	81.96
<b>As the end of the year</b>	<b>621.24</b>	<b>671.54</b>

**NOTE NO. '24' CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>From Banks (Secured)</b>		
Cash Credit and Packing Credit Facilities	9,349.37	3,393.26
<b>Unsecured Loan from</b>		
Bank	1,999.85	-
<b>Current Maturities of Long Term Borrowings and Fixed Deposit</b>		
Term Loans (Secured)	3,551.07	4,709.70
Fixed Deposit (Unsecured)	403.64	800.83
<b>Total</b>	<b>15,303.93</b>	<b>8,903.79</b>

**Terms and Condition****Secured Loan****24.1 Securities and Guarantees**

- (i) Cash Credit Facility and Export Packing Credit Facility from banks are secured by way of hypothecation (Floating charges) of Raw material, Dyes-Chemicals, Packing Materials, Stores & Spares, Stock-in-process, Finished goods, Book debts, Export Incentives and second charge on all the Property, Plant and Equipments (situated at Banswara, Daman & Surat) of the Company and also guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities.
- (ii) Cash Credit Facility and Export Packing Credit Facility Interest rate ranging from 6.25 % to 9.10 % (Previous Year 7.35% to 10.25%)."

**Unsecured Loan****24.2 Securities and Guarantees**

- (i) During the year the Company has availed Unsecured Loan from "HDFC Bank Ltd" amounting to ₹ 2000 Lakhs.

**NOTE NO. '25' CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Lease Liability	56.26	51.26
Lease Liability Secured	11.54	15.08
Lease Liability Unsecured	44.72	36.18
<b>Total (I+II+III)</b>	<b>56.26</b>	<b>51.26</b>

**NOTE NO. '26' CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Micro and Small Enterprises@	271.83	224.35
Capital Goods	980.07	-
Others	13,515.57	9,896.67
<b>Total</b>	<b>14,767.47</b>	<b>10,121.02</b>

@ To the extent information received for status under the Micro, Small and Medium Enterprises Development Act, 2006.

## 26.1 Details of Dues to Micro Enterprises and Small Enterprises

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Principal amount due to suppliers registered under the Micro Enterprises and Small Enterprise Development Act, 2006, and remaining unpaid as at year end	271.83	224.35
Amount of Interest due to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, Act and remaining unpaid as at year end	1.25	1.74
Principal amounts paid to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	51.78	103.14
Amount of Interest paid, under the Micro Small and Medium Enterprise Development Act, 2006, to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	-	Nil
Interest due and payable towards suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, for payment already made	1.26	3.15

 Trade Payables aging schedule as at 31<sup>st</sup> March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	265.65	6.12	-	0.06	271.83
(ii) Others	12,000.18	228.72	326.84	1,601.84	14,157.58
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	9.13	243.13	1.28	84.52	338.06
	<b>12,274.96</b>	<b>477.97</b>	<b>328.12</b>	<b>1,686.42</b>	<b>14,767.47</b>

 Trade Payables aging schedule as at 31<sup>st</sup> March 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	224.26	-	0.06	0.03	224.36
(ii) Others	7,347.31	377.11	109.21	1,699.06	9,532.69
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	278.17	1.28	-	84.52	363.97
	<b>7,849.74</b>	<b>378.39</b>	<b>109.27</b>	<b>1,783.61</b>	<b>10,121.02</b>

## NOTE NO. '27' OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Other Liabilities</b>		
Unclaimed Dividend	22.18	26.85
Investor Education and Protection Fund Payable*	4.30	4.30
Securities Deposits	200.06	392.78
Other Liabilities	286.59	337.17
<b>Total</b>	<b>513.13</b>	<b>761.10</b>

\*The company has deposited ₹ 4.30 Lakhs representing unpaid dividend for the Financial Year 2011-12 to the Investor Education and Protection Fund ("IEPF") vide Challan No.U56885791 dated 4<sup>th</sup> December, 2019. The company also filed a Statement in Form IEPF on 22 October 2019. The said amount was erroneously returned by IEPF authority with out any reason and credited to our Bank account. The company have lodged a complaint to IEPF authority in this regard and awaiting clearance from their side.

Except the amount stated as above, there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund at the year end.

## NOTE NO. '28' OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Contract Liabilities	1,378.33	535.26
Advance against sale of Land and Building	-	5.51
Statutory Liabilities	1,122.16	968.37
<b>Total</b>	<b>2,500.49</b>	<b>1,509.14</b>

## NOTE NO. '29' CURRENT LIABILITIES: PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Provisions for Employee benefits</b>		
- For Gratuity	76.10	14.83
- For Leave Encashment	101.63	66.03
<b>Total</b>	<b>177.73</b>	<b>80.86</b>

## NOTE NO. '30' CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Provision for Income Tax	2,779.23	536.59
Less : Advance Tax and TDS (as per contra)	2,337.84	383.70
<b>Total</b>	<b>441.39</b>	<b>152.89</b>

## NOTE NO. '31' REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
(a) Sale of products	1,14,074.46	75,782.96
(b) Sale of services (Job Work Income)	3,147.19	1,947.26
<b>Sale of Products &amp; Services</b>	<b>1,17,221.65</b>	<b>77,730.21</b>
(c) Other Operating Revenue		
Export Incentives	1,755.47	932.26
<b>Total</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

## NOTE NO. '32' OTHER INCOME

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Interest Income</b>		
Interest Income from Bank Fixed Deposits	58.32	71.08
Interest Income from Others	128.56	82.04
Rental Income	81.74	31.80
<b>Other Non Operating Income</b>		
Exchange Rate Fluctuation (net)	873.38	719.02
Insurance Claim Received	16.27	38.89
Liabilities/Excess Provisions written back (net)	255.98	577.63
Government Grants	82.34	81.96
Miscellaneous Receipts	200.48	19.82
Gain on Fair Value Measurement of Investment through FVTPL	0.47	0.54
<b>Total</b>	<b>1,697.54</b>	<b>1,622.78</b>

## NOTE NO. '33' COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Raw Material Consumed</b>		
Opening stock	6,107.02	8,327.01
Add : Purchases	55,042.88	25,087.85
	61,149.90	33,414.86
Less : Closing stock	9,581.98	6,107.02
	51,567.92	27,307.84
Dyes & Chemicals Consumed	4,795.91	2,941.48
<b>Total</b>	<b>56,363.83</b>	<b>30,249.32</b>

## NOTE NO. '34' CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
<b>A. Finished Goods</b>		
<b>Opening Stock</b>		
Yarn	3,434.12	4,348.22
Cloth	3,923.62	3,601.89
Garment	1,508.72	1,223.73
	<b>8,866.46</b>	<b>9,173.84</b>
<b>Closing Stock</b>		
Yarn	4,964.86	3,434.12
Cloth	3,220.42	3,923.62
Garment	1,407.15	1,508.72
	<b>9,592.43</b>	<b>8,866.46</b>
<b>B. Work-in Progress</b>		
<b>Opening Stock</b>		
Yarn	1,267.95	1,499.18
Cloth	1,602.94	2,285.68
Garment	450.55	364.73
	<b>3,321.44</b>	<b>4,149.59</b>
<b>Closing Stock</b>		
Yarn	2,307.95	1,267.95
Cloth	2,991.59	1,602.94
Garment	947.61	450.55
	<b>6,247.15</b>	<b>3,321.44</b>
<b>C. Waste</b>		
<b>Opening Stock</b>		
	<b>143.22</b>	<b>177.98</b>
<b>Closing Stock</b>		
	<b>161.23</b>	<b>143.22</b>
<b>Total</b>	<b>(3,669.69)</b>	<b>1,170.29</b>

## NOTE NO. '35' EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Salaries, Wages and Benefits etc.	20,118.11	13,851.07
Contribution to Provident and Other Funds	1,676.74	1,172.22
Workmen & Staff Welfare Expenses	290.15	291.25
<b>Total</b>	<b>22,085.00</b>	<b>15,314.54</b>

### Disclosure as per Ind AS 19 'Employee Benefit'

#### A) Defined contribution plan

Employer's contribution to provident fund paid ₹ 1,290.32 Lakhs (Previous year ₹ 891.91 Lakhs) has been recognized as expense for the year.

Employer's contribution to Employee State Insurance Corporation paid ₹ 264.86 Lakhs (Previous year ₹ 202.16 Lakhs) has been recognized as expense for the year."

In accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employees and the employer make monthly contributions to the plan at a predetermined rate of an employee's basic salary. These contributions are made to the regional fund administered and managed by the Employees Provident Fund Organisation (EPFO). The Group has no further obligations under the fund managed by the EPFO beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

#### B) Defined benefits plan

The Group has following post employment benefits which are in the nature of defined benefit plans:

##### Gratuity

The Group provides for gratuity payable to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan administered by a Trust and the Group makes contributions to recognised Trust.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Change in defined benefit obligations:</b>		
Defined benefit obligation at the beginning of the year	1,641.77	1,949.54
Current service cost	400.05	441.14
Interest cost	97.95	111.31
Past service cost	-	-
Benefits paid	(398.46)	(625.24)
Actuarial (gains)/losses	219.36	(234.98)
<b>Defined benefit obligation, end of the year</b>	<b>1,960.67</b>	<b>1,641.77</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Fair value of plan assets at the beginning of the year	1,626.93	1,454.95
Return on plan assets, (excluding amount included in net Interest expense)	5.03	6.70
Interest income	110.36	101.12
Employer's contributions	395.20	689.40
Benefits paid	(398.46)	(625.24)
<b>Fair value of plan assets, end of the year</b>	<b>1,739.06</b>	<b>1,626.93</b>

##### Amount recognized in the balance sheet consists of:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Present value of defined benefit obligation	1,960.67	1,641.77
Fair value of plan assets	1,739.06	1,626.93
<b>Net liability</b>	<b>221.61</b>	<b>14.84</b>
<b>Amounts in the balance sheet:</b>		
Current Liability	76.10	14.84
Non-current liabilities	145.51	-
<b>Net liability</b>	<b>221.61</b>	<b>14.84</b>

**Total amount recognized in Profit or Loss consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current service cost	400.05	441.14
Past Service Cost	-	-
Net Interest	(12.41)	10.19
<b>Total Expense recognised in statement of profit or loss</b>	<b>387.64</b>	<b>451.33</b>

**Net Interest Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest Expenses	97.95	111.31
Interest Income	110.36	101.12
<b>Net Interest</b>	<b>(12.41)</b>	<b>10.19</b>

**Amount recognized in other comprehensive income consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actuarial (Gain)/Loss on Obligation	219.36	(234.98)
Return on Plan Assets excluding net Interest	(5.03)	(6.70)
<b>Total Actuarial (Gain)/Loss recognised in (OCI)</b>	<b>214.33</b>	<b>(241.68)</b>

**Actuarial (Gain)/Loss on obligation Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	220.49	1.95
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(1.13)	(236.93)
<b>Total Actuarial (Gain)/Loss</b>	<b>219.36</b>	<b>(234.98)</b>

**Return on Plan Assets excluding net Interest Consists**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Actual Return on plan assets	115.39	107.82
Interest Income included in Net Interest	110.36	101.12
<b>Return on Plan Assets excluding net Interest</b>	<b>5.03</b>	<b>6.70</b>

**Information for funded plans with a defined benefit obligation less than plan assets:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Defined benefit obligation	1,960.67	1,641.77
Fair value of plan assets	1,739.06	1,626.93
<b>Net Liability</b>	<b>221.61</b>	<b>14.84</b>

## The assumptions used in accounting for the Gratuity are set out below:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Discount rate	6.85%	6.79%
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Rate of increase in compensation level of covered employees	5.00%	4.00%
Expected Return on Plan Assets	6.85%	6.79%
Expected average remaining services	21.08	21.01
Retirement age	60 Years	60 Years
Employee Attrition rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

## Sensitivity Analysis:

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate.

Assumptions	Change in assumption	Change in PV of obligation Gratuity	
		As at 31.03.2022	As at 31.03.2021
Discount rate	Increase by 1%	1,727.52	1,464.31
	Decrease by 1%	2,246.55	1,858.21
Salary escalation rate	Increase by 1%	2,242.71	1,855.92
	Decrease by 1%	1,727.37	1,463.89

## Expected Payout

(₹ in Lakhs)

Particulars	First Year	Second Year	Third to fifth Year	More than 5 Year
PVO payout Gratuity as of 31 March 2022	76.10	81.61	287.40	641.82
PVO payout Gratuity as of 31 March 2021	131.90	38.47	314.84	554.32

## Plan Assets

Plan assets comprise the following

(₹ in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Deposit with</b>		
Gratuity Trust	4.17	1.18
Group Insurance Scheme Insurance Company (LIC)	1,734.89	1,628.75

## Risk Exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

## a) Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Group intends to maintain the above investment mix in the continuing years.

**b) Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

**c) Inflation risks**

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**d) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. the Group has not changed the processes used to manage its risks from previous periods. the Group uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

**C) Other Long Term Employee Benefit**
**Leave Policy**

Other long term employee benefit includes earned leave to the employees of the Group which accrue annually for 24 days. Earned leave can be accumulated up to 90 days while in service. These accumulated earned leave are encashable at the time of retirement or leaving the services of the Group. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 183.34 Lakhs (Previous Year: ₹ 28.47 Lakhs) have been made on the basis of actuarial valuation and debited to the Statement of Profit and Loss.

Amount of ₹ 250.91 Lakhs (Previous Year: ₹ 166.04 Lakhs) is recognised as expenses and included in Note No 35" "Employee benefit expenses.

**NOTE NO. '36' FINANCE COST**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Interest Expense	1,973.81	2,746.33
Finance Lease Charge	13.61	6.66
Other Borrowing Cost	491.85	503.38
<b>Total</b>	<b>2,479.27</b>	<b>3,256.36</b>

**NOTE NO. 37 DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Right of Use Assets Depreciation (Refer Note 3)	70.58	69.72
Depreciation (Refer Note 2 and 5)	4,115.41	4,577.80
<b>Total</b>	<b>4,185.99</b>	<b>4,647.52</b>

## NOTE NO. '38' OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Stores & Spare Parts Consumed	3,726.72	2,538.28
Packing Material Consumed	2,041.92	1,143.41
Power	3,951.07	1,604.91
Fuels	12,006.69	5,765.41
Job Charges	1,617.46	1,007.14
Repairs to : Plant & Machinery	374.38	276.29
Building	310.91	205.27
Others	68.76	61.37
Rent	5.81	11.78
Rates and Taxes	132.19	126.06
Insurance	413.07	387.56
Payment to Auditors		
As Auditors -Fees	22.50	22.50
-Expenses	0.23	0.24
In other capacity		
-Certification	0.30	0.20
Directors' Fees (Refer Note No.47)	39.40	20.42
Travelling & Conveyance Expenses	155.30	110.70
Communication Expenses	256.54	289.65
Legal & Professional Fee	434.25	252.35
Charity & Donation	6.38	38.39
Expenditure incurred for Corporate Social Responsibility (CSR) (Refer Note No. 46)	66.33	28.86
Business Promotion Expenses	69.79	61.28
IT Outsourced Support Services	114.25	67.48
Data Processing Charges	10.14	5.63
Water & Electricity Charges	125.13	67.05
Commission to Selling Agents	1,436.18	869.24
Freight, Octroi and Forwarding Charges	4,173.33	2,098.45
Claims	120.29	379.13
Advertisements	10.77	8.87
Provision for Doubtful Trade Receivables	-	358.66
Advance/ Receivables Written Off	14.93	28.30
Miscellaneous Expenses	593.00	418.04
<b>Total</b>	<b>32,298.02</b>	<b>18,252.91</b>

## NOTE NO. '39' EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Profit on Sales of Property, Plant and Equipments	298.45	45.76
Profit on Disposal of Investment	-	290.69
Impairment of Investments	-	(7.04)
Loss on Assets Discarded	(29.14)	-
<b>Total</b>	<b>269.31</b>	<b>329.41</b>

**NOTE NO. '40' EARNINGS PER SHARE**

Particulars		Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
a) Profit for the year	₹ In Lakhs	4,562.04	1,451.07
b) Weighted average number of equity shares outstanding	Nos.	1,71,16,042	1,71,16,042
c) Face value per share	₹	10.00	10.00
d) Earnings Per Share:			
- Basic	₹	26.65	8.48
- Diluted	₹	26.65	8.48

**Disclosures**
**Note no 41. Disclosure as per Ind AS 12 'Income Tax'**
**a) Income Tax Expense**
**i) Income Tax recognised in the statement of profit and loss**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Current Income Tax	2,854.12	436.79
Tax Adjustment of Earlier Years	(0.21)	(0.76)
<b>Total current Tax expenses</b>	<b>2,853.91</b>	<b>436.03</b>
<b>Deferred tax</b>		
Deferred Tax Expenses	(326.14)	(194.63)
<b>Total deferred tax expenses</b>	<b>(326.14)</b>	<b>(194.63)</b>
<b>Total Income tax expenses</b>	<b>2,527.77</b>	<b>241.40</b>

**ii) Income tax recognised in other comprehensive income (OCI)**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Current Tax Expenses</b>		
Net actuarial (loss)/gain on defined benefit plan	(74.89)	84.45
<b>Total current Tax expenses</b>	<b>(74.89)</b>	<b>84.45</b>

**iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Profit before tax</b>		
Tax using the Group tax rate @ 34.944% (Previous Year @ 34.944%)	2,402.57	655.67
Tax effect of :		
Non deductible tax expenses (CSR)	23.18	10.08
Non deductible tax expenses (Donation)	2.23	13.42
Non deductible tax expenses (MSME Interest and Interest on Income Tax)	0.44	6.15
Tax Adjustment of Earlier Years	0.21	0.76
Profit on Sales of Investment in Joint Venture	-	58.14
Others	(14.79)	(418.36)
<b>Total tax expenses in the statement of profit and loss</b>	<b>2,413.83</b>	<b>325.85</b>

**Movement in deferred tax balances****31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2021	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,153.54	(295.69)	-	-	3,857.85
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	537.43	(62.92)	-	-	474.51
ii) Disallowances under section 43B of Income Tax Act, 1961	480.38	(11.66)	-	-	468.72
iii) Employee Benefits	86.39	114.56	-	-	200.95
iv) Deferred Tax on Account of Deferred Government Grant	79.37	(9.73)	-	-	69.64
(v) On account of Forward Contract	-	-	-	-	-
(vi) Lease Equilazation Assets	0.37	0.21	-	-	0.58
(vii) MAT Credit Entitlement	267.32	-	-	235.18	32.14
<b>Net tax assets/(liabilities)</b>	<b>2,702.28</b>	<b>(326.14)</b>	<b>-</b>	<b>235.18</b>	<b>2,611.31</b>

**31<sup>st</sup> March, 2021**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2020	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2021
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,594.11	(440.57)	-	-	4,153.54
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	425.89	111.54	-	-	537.43
ii) Disallowances under section 43B of Income Tax Act, 1961	497.23	(16.85)	-	-	480.38
iii) Employee Benefits	273.28	(186.89)	-	-	86.39
iv) Deferred Tax on Account of Deferred Government Grant	87.92	(8.55)	-	-	79.37
(v) On account of Forward Contract	145.38	(145.38)	-	-	-
(vi) Lease Equilazation Assets	0.19	0.18	-	-	0.37
(vii) MAT Credit Entitlement	387.00	-	-	119.60	267.32
<b>Net tax assets/(liabilities)</b>	<b>2,777.22</b>	<b>(194.63)</b>	<b>-</b>	<b>119.60</b>	<b>2,702.28</b>

**Note no. 42. Disclosure as per Ind AS 2 'Inventories'**

Amount of inventories recognised as expense during the year is as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Cost of Material Consumed	56,363.83	30,249.32
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	(3,669.69)	1,170.29
Power and Fuel (Coal)	12,006.69	5,765.41
Packing Material Consumed	2,041.92	1,143.41
Stores & Spare Parts Consumed	3,726.72	2,538.28
<b>Total</b>	<b>70,469.48</b>	<b>40,866.71</b>

**Note No. 43. Disclosure as per Ind AS-116 "Leases"**

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As Lessee**
**(A) Addition to right of use assets**

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property. (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Right-of-use assets, except for investment property	256.85	31.87
	<b>256.85</b>	<b>31.87</b>

**(B) Carrying value of right of use ("ROU") assets at the end of the reporting period by class**

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery
Balance at 1 <sup>st</sup> April 2021	352.00	129.41	56.49
Add : Right of Use Building Recognized during the year	-	256.85	-
Less : Disposal of ROU during the year	-	13.68	-
Gross Block Value of Right of Use	352.00	372.58	56.49
Opening Accumulated Depreciation	28.14	98.67	22.91
Add : Depreciation charge for the year	6.66	56.63	7.29
Less : Depreciation on Disposal of ROU	-	10.59	-
Closing Accumulated Depreciation	34.79	144.71	30.20
Balance at 31 <sup>st</sup> March 2022	317.21	227.87	26.29

**(C) Maturity analysis of lease liabilities**

(₹ in Lakhs)

Maturity analysis-contractual undiscounted cash flows	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Less than One year	75.14	55.21
One to five years	227.10	18.15
<b>Total undiscounted lease liabilities</b>	<b>302.24</b>	<b>73.36</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>254.21</b>	<b>68.05</b>

**(D) Amounts recognised in the Statement of profit and loss**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Interest on lease liabilities	13.61	6.66
Amortization recognized	70.58	69.72
Expenses related to short term leases	5.81	11.79

**(E) Amounts recognised in the statement of cash flows**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2021
Total cash outflow for leases	77.37	84.91

**As Lessor****(A) Operating Lease**

The Group has entered into operating leases on its office buildings. These leases have terms of 10 to 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the year is ₹ 10.35 Lakhs (Previous Year: ₹ 10.35 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as follows:

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Within one year	14.07	9.47
After one year but not more than five years	58.15	21.65
More than five years	81.63	43.71

The Group has also recognized lease equalization assets amounting to ₹ 1.65 Lakhs (Previous Year : ₹ 1.10 Lakhs) on account of escalation clause in the lease arrangement.

**Note No. 44. Disclosure as per Ind AS-27, Separate Financial Statement**

Interest in Joint Venture

Name of Entity	Place of Business/ Country Of Incorporation	Proportion Of Ownership Interest	
		As at 31.03.2022	As at 31.03.2021
Tesca Textiles & Seat Components (India) Private Ltd.	India	40.45%	40%

Nature of the business of Joint Venture Entity is Textile.

The Group's share of assets, liabilities, income and expenses of Joint Venture is as follows:

(₹ in Lakhs)

Name of the Joint Venture	Financial Year	Assets	Liabilities	Income	Expenses	Profit
Tesca Textiles & Seat Components (India) Private Limited	2021-22	1,701.92	1,350.59	3,078.69	3,176.04	(114.17)
	2020-21	1,501.86	1,201.53	2,550.08	2,476.74	61.79

**Note No. 45**

- (1) The amount of exchange differences (net) as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates' credited to the Statement of Profit & Loss is ₹ 873.38 Lakhs (Previous Year: ₹ 719.02 Lakhs).
- (2) In view of the management, the group does not have a significant effect of Covid-19 during the current financial year. The inventories in the books thus does not contain any markdown which were created in previous years on account of Covid-19 for the year ended 31<sup>st</sup> March 2022.

**Note No. 46. Disclosure of Corporate social responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a Group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Group as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

A. Gross amount required to be spent by the Group during the year Current Year ₹ 65.00 Lakhs (Previous Year ₹ 60.00 Lakhs)

B. Amount approved by the Board to be spent during the year ₹ 65.00 Lakhs (Previous Year ₹ 60.00 Lakhs)

C. Amount spent during the year on:

(₹ in Lakhs)

Particulars	Financial Year 2021-22			Financial Year 2020-21		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction Ongoing Project	15.19	22.83	38.02	0.50	31.14	31.64
(ii) Purposes other than (i) & (ii) above	26.98	-	26.98	28.36	-	28.36

Note : -The Group has spent ₹ 24.16 Lakhs from "Unspent CSR account" (FY 2020-21) for Ongoing Project and amount remaining to be spent is ₹ 7.84 Lakhs as of 31<sup>st</sup> March 2022 which will be spent in subsequent years.

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
(i) amount required to be spent by the Group during the year	65.00	60.00
(ii) amount of expenditure incurred,	42.17	28.86
(iii) shortfall at the end of the year,	22.83	31.14
(iv) total of previous years shortfall	7.84	-

(v) reason for shortfall : Since the project is long term hence unspent amount if any will be utilized with in the period a specified in the Companies Act, 2013.

(vi) nature of CSR activities : The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

(vii) details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard:None

(viii)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.:None

**Transfer of Unspent CSR Amount :** In Compliance of Section 135(6) of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Group has deposited sum of ₹ 23 Lakh to a dedicated account opened with schedule Bank, as Unspent Corporate Social Responsibility Account (UCSRA) for the year 2021-22. The Group has taken up long term (ongoing) project called Nathelav Talab beautification and expansion project at Banswara. The money so deposited in the bank account shall be utilized for the following developmental activities over a period of three years i.e. during the financial year 2022-23, 2023-24 & 2024-25 .The brief description of above stated project is as under :-

- a) Building the entrance gate at the Nathelav Talab and fencing of the front side of talab.
- b) Construction of bridge to connect the two gardens.
- c) Installation of fountain to erate the water and beautification of the pond.
- d) Extension of walkway.
- e) Development and beautification of Ghat at the back of Talab.

#### **Note no. 47. Disclosure as per Ind AS 24 'Related party Disclosures'**

The Group has identified all the related parties as per details given below:

##### **1. List of Related Parties:**

###### **a) Joint Venture:**

Tesca Textiles & Seat Components (India) Private Limited

###### **b) Key Management Personnel:**

Shri Rakesh Mehra (Chairman)

Shri Ravindra Kumar Toshniwal (Managing Director)

Shri Shaleen Toshniwal (Joint Managing Director)

Shri J.K. Jain (Jt. President & Chief Financial Officer) [Upto 10 November 2021, (extended upto 01 December 2021, as requested)]

Shri H.P. Kharwal (Group Secretary)

Shri Pankaj Gharat (Chief Financial Officer) (from 03 May 2022)

**c) Independent/Non Executive Director**

Shri P. Kumar  
 Shri D.P. Garg  
 Shri S.B. Agarwal  
 Shri Vijay Kumar Agarwal  
 Shri Kamal Kishore Kacholia  
 Shri Vijay Mehta  
 Dr. Vijayanti Pandit  
 Shri J.M. Mehta  
 Shri David Vlerick

**d) Enterprises where Relative of Key Management Personnel has Control**

Aanswr Fashion Private Limited

**e) Relative of Key Management Personnel/Independent or Non Executive Director where transactions have taken place:**

Shri Rameshwar Lal Ravindra KrToshniwal HUF  
 Shri Ravindra Kumar Toshniwal HUF  
 Shri Dhruv Toshniwal  
 Shri Udit Toshniwal  
 Smt. Prem Toshniwal  
 Smt. Navneeta Mehra  
 Smt. Radhika Toshniwal  
 Smt. Sonal Toshniwal  
 Smt. Kavita Soni  
 Smt. Sushila Devi Jain  
 Smt. Anita Jain  
 Shri Garvit Jain  
 Shri J.K. Jain HUF  
 Smt. Suman Jain  
 Smt. Sonal Garg Pareek  
 Smt. Radha Devendra Pal Garg  
 Shri Saurabh Agarwal  
 Shri Saurabh Agarwal And Sons HUF  
 Shri SS Agarwal HUF  
 Smt. Sunita Agarwal

Note: Related party relationship is as identified by the Group and relied upon by the Auditors.

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Nature of transaction	Influence	2021-22	2020-21
<b>Tesca Textiles &amp; Seat Components (India) Private Limited</b>	Joint Venture		
Sales of Goods and Materials*		2,063.08	1,886.94
Purchase of Goods and Materials*		29.77	3.15
Rendering of Services*		466.11	472.42
Business Support Services*		0.96	1.21
Claim on Fabrics given		-	75.00
Purchase of Property, Plant & Equipments*		-	0.89
Investment made during the year		178.00	-
<b>Aanswr Fashion Private Limited</b>	Relative of Key Managerial Personnel has Control		
Sales of Goods and Materials*		251.45	56.54
Purchase of Goods and Materials*		21.44	-
Rendering of Services*		9.75	-
Reimbursement of Expenses		0.44	-
Claim on Garment given		14.49	-

Nature of transaction	Influence	2021-22	2020-21
<b>Remuneration</b>			
Shri Rakesh Mehra	Key Management Personnel	294.14	59.17
Shri Ravindra Kumar Toshniwal		208.28	67.19
Shri Shaleen Toshniwal		200.60	54.03
Shri J.K. Jain		100.79	51.57
Shri H P Kharwal		11.25	9.81
Shri Dhruv Toshniwal	Relative of Key Management Personnel	38.34	27.08
Shri Udit Toshniwal		31.49	21.26
Smt Kavita Soni		50.37	37.12
Smt Anita Jain		-	6.24
<b>Interest Expenses</b>			
Shri Ravi Toshniwal	Key Management Personnel	0.90	0.93
Shri Shaleen Toshniwal		8.68	8.91
Smt Prem Toshniwal	Relative of Key Management Personnel	30.62	28.20
Smt Radhika Toshniwal		0.90	0.93
Smt Sonal Toshniwal		0.18	0.19
Shri Dhruv Toshniwal		-	0.19
Shri Udit Toshniwal		-	0.10
Smt Kavita Soni		10.97	27.75
Shri J.K. Jain HUF		0.05	0.81
Smt Anita Jain		0.08	0.81
Smt Sushila Devi Jain		-	1.28
Shri Garvit Jain		0.03	0.88
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	0.29	0.29
Shri Saurabh Agarwal & Sons HUF		1.98	1.28
Shri S.S. Agarwal HUF		1.41	0.93
Smt. Sonal Garg Pareek		0.90	1.04
Smt. Radha Devendra Pal Garg		0.45	0.52
Shri Saurabh Agarwal		0.54	0.04
Smt Suman Jain		0.29	0.29
Shri Vijay Mehta	Independent/Non Executive Director	9.50	4.20
Shri D.P. Garg		2.26	2.71
<b>Sitting Fees - Non Executive Directors</b>			
Shri S.B. Agarwal	Non Executive Director	6.00	1.65
Shri K.K. Kacholia		4.20	1.90
Shri P. Kumar		6.40	4.40
Shri D.P. Garg		3.80	1.60
Shri Vijay Mehta		4.20	1.75
Shri J.M. Mehta		5.00	1.45
Shri V.K. Agarwal		2.20	1.05
Dr. Vaijayanti Pandit		4.80	3.80
Shri David Vlerick		2.80	2.82

Nature of transaction	Influence	2021-22	2020-21
<b>Fixed Deposit Accepted</b>			
Shri Vijay Mehta	Independent/Non Executive Director	-	100.00
Shri D.P. Garg	Independent/Non Executive Director	-	50.00
Smt Prem Toshniwal	Relative of Key Management Personnel	87.00	-
Mr. Garvit Jain		-	5.00
Shri J.K. Jain HUF		-	10.00
Smt. Anita Jain		-	14.00
Shri Saurabh Agarwal And Sons HUF	Relative of Non Executive Director	2.00	18.00
Shri S S Agarwal HUF		-	9.00
Smt. Sonal Garg Pareek		-	20.00
Smt. Radha Devendra Pal Garg		-	10.00
Shri Saurabh Agarwal		-	6.00
<b>Fixed Deposit Repayment</b>			
Shri Ravi Toshniwal	Key Management Personnel	-	90.00
Shri D.P. Garg	Independent/Non Executive Director	50.00	-
Smt Prem Toshniwal	Relative of Key Management Personnel	-	-
Smt Radhika Toshniwal		-	20.00
Smt Kavita Soni		200.00	-
Smt. Sushila Devi Jain		-	21.00
Shri Dhruv Toshniwal		-	4.00
Shri Udit Toshniwal		-	2.00
Mr. Garvit Jain		5.00	11.00
Smt. Anita Jain		14.00	6.00
Shri J.K. Jain HUF		10.00	6.00
Smt. Radha Devendra Pal Garg	Relative of Non Executive Director	10.00	-
Smt. Sonal Garg Pareek	Relative of Non Executive Director	20.00	-
<b>Fixed Deposits Payable</b>			
Shri Ravi Toshniwal	Key Management Personnel	10.40	10.42
Shri Shaleen Toshniwal		98.89	99.06
Smt Prem Toshniwal	Relative of Key Management Personnel	403.63	315.16
Smt Radhika Toshniwal		10.40	10.42
Smt Sonal Toshniwal		2.08	2.08
Smt Kavita Soni		104.26	313.15
Shri J.K. Jain HUF		-	10.34
Smt Anita Jain		-	14.48
Shri Garvit Jain		-	5.17
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	3.13	3.13
Shri Saurabh Agarwal & Sons HUF		23.89	21.81
Shri S.S. Agarwal HUF		15.63	15.51
Smt. Sonal Garg Pareek		-	20.83
Smt. Radha Devendra Pal Garg		-	10.42
Shri Saurabh Agarwal		6.24	6.04
Smt Suman Jain		3.13	3.13
Shri Vijay Mehta	Independent/Non Executive Director	104.26	103.37
Shri D.P. Garg		-	52.07
<b>Investment</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	466.00	288.00

Nature of transaction	Influence	2021-22	2020-21
<b>Amount Payable</b>			
Shri Ravi Toshniwal	Key Management Personnel	44.80	-
Shri Rakesh Mehra		42.70	-
Shri Shaleen Toshniwal		44.80	-
Shri J.K. Jain		-	2.51
Shri H P Kharwal		0.74	0.44
Shri H P Kharwal (Received against Vehicle Scheme)		0.47	0.47
<b>Amount Receivable (net)</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	455.64	762.38
Aanswr Fashion Private Limited	Enterprises where Relative of Key Management Personnel has Control	135.05	54.02
<b>Security Deposit Payable</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	0.88	0.88

\*Above mentioned amount includes Goods and Services Tax (GST)

In respect of the outstanding balance recoverable from related parties as at 31<sup>st</sup> March 2022, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such parties.

#### Compensation to key managerial personnel of the Company

Nature of benefits#	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Short term employee benefits	764.92	241.77
Post-employment benefits	50.15	-
<b>Total</b>	<b>815.07</b>	<b>241.77</b>

#This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

#### Note no. 48. Disclosure as per Ind AS 37 'Provisions, contingent liabilities and contingent assets'

##### 1. Contingent liabilities:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Bills discounted/Purchased with banks remaining outstanding		
a) With Banks		
(i) Against foreign Letter of Credit (LC)	2,120.88	2,101.83
(ii) Against Inland Letter of Credit (LC)	49.54	431.02
b) With Others	581.74	-
Claims against the Group not acknowledged as debt:-		
(a) Under Tax Laws [payment made under protest ₹ 574.74 Lakhs (Previous Year ₹ 523.10 Lakhs) Shown under Non- Current Assets	2,491.26	2,268.59
(b) On account of electrical inspection fee (paid under protest ₹ 11 Lakhs (Previous Year ₹ 11 Lakhs)	23.78	23.78

There is no reimbursement possible on account of contingent liabilities.

##### 2. Capital Commitments:

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Estimated amount of contracts remaining to be executed on Capital account (net of advance)	4,164.76	336.88
Future Export obligation against EPCG licenses	1,728.00	1,621.36

**Note No. 49. Disclosure as per Ind AS 16 'Property, Plant and Equipment'****The carrying amounts of assets Hypothecated and Mortgage as security for current and non-current borrowings are:-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	12,644.47	11,498.65
Term Deposits held as margin money	633.97	244.63
<b>Non-Financial Assets</b>		
Inventories	27,888.90	19,644.95
<b>Total Current assets Hypothecated as security</b>	<b>41,167.34</b>	<b>31,388.24</b>
<b>Non-Current Assets</b>		
Land	874.61	934.11
Building	11,282.81	11,939.81
Plant & Equipment	16,871.66	18,906.21
Furnitures	159.05	184.93
Others	1,453.47	1,118.58
Capital Work in Progress	2,891.60	27.42
Intangible Assets	229.07	293.85
<b>Total Non-Current assets Mortgage as security</b>	<b>33,762.27</b>	<b>33,404.91</b>
<b>Total Assets Hypothecated and Mortgage as security</b>	<b>74,929.61</b>	<b>64,793.14</b>

**Note No. 50. Disclosure as Per Ind AS 115 Revenue from Contracts with Customers****A. Applicability of Ind AS 115**

The Group has followed the IND AS 115 during the year. All service contracts have an original duration of one year or less and therefore the Group uses practical expedient to not disclose unsatisfied performance obligations

All service contracts have an original duration of one year or less and therefore the company uses practical expedient to not disclose unsatisfied performance obligations

**B. Disaggregation of revenue**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
<b>Type of goods or service</b>		
<b>Sale of goods</b>		
Job Work Income	1,15,829.93	76,715.22
	3,147.19	1,947.26
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.48</b>
<b>Geographical markets</b>		
India	64,636.91	46,165.07
Outside India	54,340.21	32,497.41
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.48</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	1,15,829.93	76,715.22
Services transferred over time	3,147.19	1,947.26
<b>Total Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.48</b>

**Contract Balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Trade receivables	12,644.47	11,498.65
Contract Liabilities	1,378.33	535.26

**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue as per contracted price	1,19,163.56	78,760.15
Adjustments	-	-
Rebate/Cash Discount	186.44	97.68
<b>Revenue from contracts with customers</b>	<b>1,18,977.12</b>	<b>78,662.48</b>

**Performance obligation**

Information about the Group's performance obligations are summarised below:

**a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the Group expects to receive in exchange for those product. The performance obligation is satisfied upon delivery of goods and payment is generally due within 30 to 180 days from delivery. The contract generally provide customers with a right to early payment rebate which give rise to variable consideration subject to constraint.

**b) Income from Rendering of Services**

Income from sale of services is recognised when (or as) the Group satisfies performance obligation by transferring promised services to the customer i.e. at a point in time.

**Note No. 51. Disclosure as per Ind AS 108 'Operating segment'**

- (a) The Group is engaged in production of textile products having integrated working and captive power generation. For management purpose, Group is organized into major operating activity of the textile products. The Group has no activity outside India except export of textile products manufactured in India. Thereby, no geographical segment and no segment wise information is reported.
- (b) The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Revenue from external customers	53,888.23	32,497.41
India	65,088.89	46,165.06
<b>Total</b>	<b>1,18,977.12</b>	<b>78,662.47</b>

## Detail of Country wise Revenue from Major Countries

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2022	Year ended 31 <sup>st</sup> March, 2021
Vietnam	3,265.73	257.20
Sri Lanka	2,630.73	3,287.07
South Korea	1,190.13	1,462.02
Turkey	8,829.45	3,389.12
United State of America	3,974.96	1,515.72
United Kingdom	1,720.01	2,780.01
Bangladesh	2,716.82	1,301.98
South Africa	2,890.63	1,814.86
Maxico	2,235.34	838.49
Others	24,434.44	15,850.93
<b>Total</b>	<b>53,888.23</b>	<b>32,497.41</b>

**Note No. 52. Disclosure as per Ind AS 107 'Financial instrument disclosure'****A) Capital management**

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Gross Debt	26,188.11	22,707.97
Less : Cash and cash equivalents	1,874.91	770.44
Net Debt (A)	24,313.20	21,937.53
Total Equity (B)	39,881.24	35,714.99
Gearing Ratio (A/B)	0.61	0.61

**B) Financial risk management****Financial Risk Management**

The Group's principal financial liabilities comprise Borrowings, trade payables, Lease Liabilities and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, deposits & other assets.

**Group is exposed to following risk from the use of its financial instrument:**

- (a) Credit Risk
- (b) Liquidity Risk
- (c) Market Risk
- (d) Foreign Currency Risk
- (e) Interest Rate Risk

The Group's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Group's financial risk management is set by the Managing Board.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Group has no concentration of credit risk at the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date."

**Other Financial Instruments and Cash & Cash Equivalent**

The Group maintain its cash & cash equivalent in current account to meet the day to day requirements, in fixed deposits for bank margin & to meet regulatory requirements for repayment of deposits. Other financial instruments are loan given to employee, Investment and Deposit. The Group's maximum exposure to credit risk for the component of the Balance Sheet as of 31<sup>st</sup> March 2022 & 31<sup>st</sup> March 2021 is the carrying amount as disclosed in Note 10,11,12,13,14 & 15.

**Provision for Expected Credit or Loss**
**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Group has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Group provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Ageing of trade receivables**

The Ageing of trade receivables is as below:

(₹ in Lakhs)

Ageing	0-180 days past due	181-365 days past due	1-2 years past due	2-5 years past due	Total
Gross Carrying amount as on 31.03.2022	12,908.84	279.97	155.34	658.23	14,002.38
Impairment loss recognised on above	264.36	279.97	155.34	658.23	1,357.91
Gross Carrying amount as on 31.03.2021	11,498.65	269.89	765.79	502.28	13,036.62
Impairment loss recognised on above	-	269.89	765.79	502.28	1,537.97

**(i) Liquidity Risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

**The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:**

(₹ in Lakhs)

Particulars	On Demand	0 - 1 years	1 - 5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2022</b>					
Term Loans*	-	3,551.07	8,053.20	760.77	12,365.04
Fixed Deposit Payable	-	403.64	1,816.00	-	2,219.64
Lease Liability	-	56.26	197.95	-	254.21
Trade Payables	-	14,767.47	-	-	14,767.47
Other Financial Liabilities	11,375.70	486.65	-	-	11,862.35
<b>Total</b>	<b>11,375.70</b>	<b>19,265.10</b>	<b>10,067.15</b>	<b>760.77</b>	<b>41,468.72</b>
<b>As at 31<sup>st</sup> March 2021</b>					
Term Loans*	-	4,709.70	10,417.50	1,033.62	16,160.82
Fixed Deposit Payable	-	800.83	2,285.00	-	3,085.83
Lease Liability	-	51.26	16.79	-	68.05
Trade Payables	-	10,121.02	-	-	10,121.02
Other Financial Liabilities	3,397.56	756.80	-	-	4,154.36
<b>Total</b>	<b>3,397.56</b>	<b>16,439.61</b>	<b>12,719.29</b>	<b>1,033.62</b>	<b>33,590.08</b>

\*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings and also include fixed deposit received from Shareholders, Finance Lease Obligation.

Overdraft or other on demand loan facility, if any available with the Group to be disclosed, to the extent undrawn

**The Group had access to the following undrawn borrowing facilities at the end of the reporting period:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Floating rate borrowings</b>		
Term Loan	806.90	2,650.62
Cash Credit and Export Credit Packing Facility	11,050.78	23,406.74
<b>Total</b>	<b>11,857.68</b>	<b>26,057.36</b>

### (ii) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. All such transactions are carried out within the guidelines set by the Managing Board.

### (iii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Group uses forward contracts to mitigate its risk from foreign currency fluctuations.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign Currency in Lakhs)

Particulars	Currency	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Forward Contract to sell {Number of Contracts (Current Year 19 ; Previous Year 17)}	USD	130.70	88.41
Forward Contract to sell {Number of Contracts (Current Year Nil ; Previous Year 1)}	EURO	-	2.00

(b) Particulars of unhedged foreign currency exposure as at the reporting date

The currency profile of financial assets and financial liabilities as at 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 are as below:

**31<sup>st</sup> March, 2022**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	67.83	2.10	2.05	-	71.99
Cash & cash equivalents	-	-			-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	32.56	0.72	0.09	-	33.37

**31<sup>st</sup> March, 2021**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	44.19	3.49	1.92	0.11	49.70
Cash & cash equivalents	0.00	-			0.00
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	6.17	1.26	0.13	-	7.55

#### Foreign Currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and other rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	26.39	1.15	1.94	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(26.39)	(1.15)	(1.94)	-

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2021			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	27.79	1.88	1.79	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(27.79)	(1.88)	(1.79)	-

The Group's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Group and are not hedged.

As at 31<sup>st</sup> March 2022 the Group does not have material exposure to listed or unlisted equity price risk.

#### (iv) Interest Rate Risk

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest.

The Group is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
Financial Assets		
<b>Fixed Rate Instruments</b>		
Loans	123.24	65.00
Bank Deposit	84.96	340.61
	<b>208.20</b>	<b>405.61</b>
<b>Variable Rate Instruments</b>		
Security Deposit	347.19	281.79
	<b>555.39</b>	<b>687.40</b>
<b>Total</b>		
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Security Deposit from Vendor	200.06	392.78
Deposits from Shareholders	2,219.64	3,085.83
	<b>2,419.70</b>	<b>3,478.61</b>
<b>Variable Rate Instruments</b>		
Term Loans	12,365.04	16,160.81
Loan repayable on demand	11,349.22	3,393.26
	<b>23,714.26</b>	<b>19,554.07</b>
<b>Total</b>	<b>26,133.96</b>	<b>23,032.68</b>

As at 31<sup>st</sup> March 2022, approximately 9.26 % of the Group's Borrowings are at fixed rate of interest (31<sup>st</sup> March 2021: 15.10%)

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Effect of Profit or Loss	
	50 BP increase	50 BP decrease
<b>31<sup>st</sup> March 2022</b>		
Term Loans	61.83	(61.83)
Loan repayable on demand	56.75	(56.75)
	<b>118.57</b>	<b>(118.57)</b>
<b>31<sup>st</sup> March 2021</b>		
Term Loans	80.80	(80.80)
Loan repayable on demand	16.97	(16.97)
	<b>97.77</b>	<b>(97.77)</b>

**Note No. 53. Disclosure as per Ind AS 113 'Fair Value Measurement'**
**Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:-

- (a) recognised and measured at fair value and;
- (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard.

Fair value are categorised into different level in a fair value hierarchy which are as follows:

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.

**Valuation Techniques used to determine fair values:**
**A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- i) For financial instruments other than (ii) and (iii)- the use of quoted market prices.
- ii) For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- iii) For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**B) Financial Instruments By Category**

Set out below categorised table of financial instruments measured at FVTPL and Amortised Cost, no such instrument is measured at Fair value through Other Comprehensive Income (FVTOCI):-

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022			31 <sup>st</sup> March, 2021		
	At Cost	FVTPL	Amortized cost	At Cost	FVTPL	Amortized cost
<b>Financial Assets:</b>						
Investments in						
Equity instrument	-	3.91	-	-	3.44	-
Joint Venture	332.87	-	-	288.00	-	-
Others	-	-	-	-	-	-
Trade Receivables	-	-	12,644.47	-	-	11,498.65
Cash and Cash Equivalents	-	-	1,874.91	-	-	770.44
Bank balances other than cash and cash equivalent	-	-	1,141.21	-	-	1,008.99
Security deposit	-	-	347.19	-	-	281.79
Forward Contract Assets	-	43.86	-	-	55.59	-
Other Financial Assets	-	-	1,869.64	-	-	1,475.66
<b>Total Financial Assets</b>	<b>332.87</b>	<b>47.77</b>	<b>17,877.42</b>	<b>288.00</b>	<b>59.03</b>	<b>15,035.53</b>
<b>Financial Liability:</b>						
Borrowings	-	-	25,933.90	-	-	22,639.92
Lease Liabilities	-	-	254.21	-	-	68.05
Trade Payables	-	-	14,767.47	-	-	10,121.02
Other Financial Liabilities	-	-	513.13	-	-	761.10
Forward Contract Liability	-	-	-	-	-	-
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>41,468.72</b>	<b>-</b>	<b>-</b>	<b>33,590.08</b>

**C) Fair Value Hierarchy**

(₹ in Lakhs)

Financial Instrument measured at Fair Value - recurring fair value measurement	Level	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Investments in Equity Instruments	Level 1	3.91	3.44
Others	Level 1	-	-
<b>Total</b>		<b>3.91</b>	<b>3.44</b>
Forward Contract Receivables	Level 3	43.86	55.59
<b>Total</b>		<b>43.86</b>	<b>55.59</b>

**D) Fair value disclosures of financial assets and liabilities**

Set out below is a comparison, by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value:

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Fair value through Statement of Profit and Loss</b>				
Investments in Equity Instruments	3.91	3.91	3.44	3.44
Investment in Joint Venture	466.00	466.00	288.00	288.00
Forward Contract Receivables	43.86	43.86	55.59	55.59
<b>Measured through amortized cost</b>				
Trade Receivables	12,644.47	12,644.47	11,498.65	11,498.65
Cash and Cash Equivalents	1,874.91	1,874.91	770.44	770.44
Bank balances other than cash and cash equivalent	1,141.21	1,141.21	1,008.99	1,008.99
Loan to Employees	123.24	123.24	65.00	65.00
Security deposit	347.19	347.19	281.79	281.79
Other Financial Assets	1,746.40	1,746.40	1,410.66	1,410.66
<b>Financial Liabilities</b>				
<b>Measured through amortized cost</b>				
Borrowings	25,933.90	25,933.90	19,314.70	19,314.70
Trade Payables	14,767.47	14,767.47	10,121.02	10,121.02
Other Financial Liabilities	767.34	767.34	4,154.36	4,154.36

**Note No. 54.****Additional Regulatory Information in Schedule III:**

- The Group does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- The Group has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- The Group has not given any Loans or advances to specified persons during the year.
- Benami property : There are no proceedings being initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Group had Borrowed secured Loan from Financial Institution and Banks against current assets
  - Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
  - As returns/ statements of current assets are in agreement with the books of account, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed does not arise.

- (f) Wilful Defaulter : the Group has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (g) The Group does not have any transactions or relationship with Struck off Companies.
- (l) There are no Scheme of Arrangements as on March 31<sup>st</sup>, 2022.
- (j) Utilisation of borrowings availed from banks and financial institutions The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilised for long term purposes.
- (k) Utilisation of borrowed funds and share premium  
The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries"

**Note No. 55.** Some of the balances shown under Trade Receivables, Advances and Trade Payables are subject to confirmation. The Group has been sending letter for confirmation to parties and does not expect any material dispute w.r.t. the recoverability/payment of the same.

**Note No. 56.**

Additional information to be disclosed by way of Notes to Statement of Profit and Loss

- I) The Group does not have any undisclosed income as on March 31<sup>st</sup>, 2022.
- ii) The Group does not have any Crypto Currency or Virtual Currency as on March 31<sup>st</sup>, 2022."

**Note No. 57. Proposed Dividend**

The Board of Directors of the Group have proposed a final dividend of ₹ 2.50 per equity share in respect of the year ended 31<sup>st</sup> March 2022 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately ₹ 427.90 lakhs.

**Note No. 58. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

- A. Loans and advances in the nature of loans  
To Joint Venture : Nil
- B. Investment by the loanee : Nil

**Note No. 59. Disclosure as mandate by Schedule III of the Companies Act, 2013**

Particulars	Amount ₹ In Lakhs	%
Net Assets i.e, total assets minus total liabilities	868.55	40.45%
Share of Profit/(Loss)	(283.19)	40.45%
Share of Other Comprehensive Income (OCI)	0.94	40.45%
<b>Share of Total Comprehensive Income (OCI)</b>	<b>(282.25)</b>	<b>40.45%</b>

**Note No. 60.** Certain Prior year amounts have been reclassified for consistency with the current period presentation. These reclassification have no effect on the reported results of Operations.

### Significant Accounting Policies 1

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

In terms of our Audit Report of even date: For and on behalf of the Board of Directors

	Sd/-		Sd/-
<b>For K.G. Soman &amp; Co. LLP</b>	<b>Rakesh Mehra</b>	<b>Ravindra Kumar Toshniwal</b>	
Chartered Accountants	DIN : 00467321	DIN : 00106789	
FRN – 06591N/N500377	Chairman	Managing Director	
Sd/-	Sd/-	Sd/-	
<b>Kavita Goyal</b>	<b>Shaleen Toshniwal</b>	<b>Praduman Kumar</b>	
Partner	DIN : 00246432	DIN : 00179074	
M.No.063419	Jt. Managing Director	Chairman(Audit Committee)	
Place: New Delhi	Sd/-	Sd/-	
Date: 3 <sup>rd</sup> May, 2022	<b>J. K. Rathi</b>	<b>Pankaj Gharat</b>	
	President	Chief Financial Officer	
	Place : Mumbai		
	Date : 3 <sup>rd</sup> May, 2022		
			<b>Sd/-</b>
			<b>H.P. Kharwal</b>
			Company Secretary

## NOTE

## NOTE

## **NATIONAL AUTOMATED CLEARING HOUSE FORM (NACH)**

(Not required to be filed by shareholders holding shares in dematerialized form)

Date :

**To,**

**M/s Computech Sharecap Limited**

**Unit: Banswara Syntex Limited**

**147 Mahatma Gandhi Road, 3rd Floor**

**Opp. Jehangir Art Gallery, Fort, Mumbai 400 001**

**Fort, Mumbai 400 001**

Dear Sir/Madam:

I/We do hereby authorise Banswara Syntex Limited to Credit my dividend amount directly to my Bank Account as per details furnished below by National Automated Clearing House (NACH)

**My bank details are as follows:-**

<b>Folio No.</b>	
<b>Name</b>	
<b>Bank Name</b>	
<b>Bank Branch Address</b>	
<b>Account Type</b>	
<b>Account Number (as appearing in your cheque book)</b>	
<b>9 Digit Bank MICR Code Number</b>	
<b>11 Digit IFSC Code</b>	
<b>Telephone Number (with STD Code of shareholder)</b>	
<b>E-mail ID of Shareholders</b>	

I/We shall not hold the Company responsible if the NACH mandate cannot be implemented for reasons beyond the control of the Company.

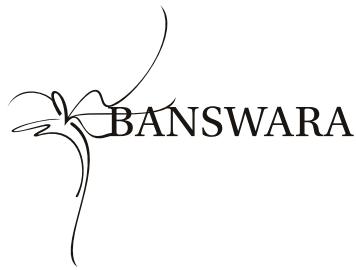
.....  
Signature of shareholder(s) (as per specimen lodged with the Company)

### **COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

**Register NACH Mandate and furnish correct bank account particulars to Company's R&TA/ Depository Participant (DP) Investors holding shares in physical form should provide the NACH Mandate form to the Company's R&TA of the above mentioned address and investors holding shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.**

\* Please attach a photo copy of a Cheque or Blank Cancelled cheque issued by your bank for verifying the accuracy of the Code number.

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## BANSWARA SYNTEX LIMITED

**Registered Office:** Industrial Area, Dahod Road, Post Box No. 21, Banswara - 327 001 (Rajasthan)

**CIN:24302RJ1976PLC001684**

### ATTENDANCE SLIP

46<sup>TH</sup> ANNUAL GENERAL MEETING

Folio No./ Clint Id and DP ID No.	
Number of shares held	

I confirmed that I am a registered Shareholder/Proxy for the registered Shareholder of the Company. I hereby record my presence at the 46<sup>th</sup> ANNUAL GENERAL MEETING held on Saturday, the 30<sup>th</sup> July, 2022 at 4.30 P.M. at Industrial Area, Dahod Road, Post Box No.21, Banswara – 327001, Rajasthan.

Name of the Member (In BLOCK Letters)		Signature
Name of the Proxy Holder (In BLOCK Letters)		Signature

#### NOTE:

- Only Member/Proxyholder can attend the Meeting.
- Please fill in the attendance slip and hand it over at the entrance.
- Member or Proxy holder should bring his/her copy of the Annual Report for reference at the 46<sup>rd</sup> Annual General Meeting.
- The e-voting will commence from 9.00 A.M. on Tuesday, the 26<sup>th</sup> July, 2022 and ends at 5 .00 PM on Friday, the 29<sup>th</sup> July, 2022. Thereafter, e-voting Module shall be disabled.

## ROUTE MAP TO THE 46<sup>th</sup> AGM VENUE

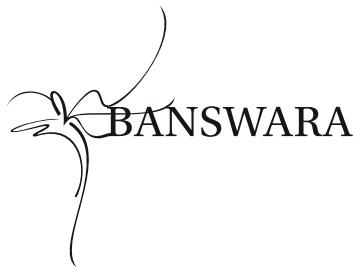
Venue : Banswara Syntex Limited

Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan

Date & Time: Saturday, the 30<sup>th</sup> July, 2022 at 4.30 P.M.



To view the route map in your smartphone/tabs, please scan this QR Code with your camera-enabled smartphone /tabs. If you do not have QR Code scanner, you may download the same from your appstore.



## BANSWARA SYNTEX LIMITED

**Registered Office:** Industrial Area, Dahod Road, Post Box No. 21, Banswara - 327 001 (Rajasthan)

**CIN:24302RJ1976PLC001684**

### FORM NO. MGT-11

#### PROXY FORM

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)*

CIN	L24302RJ1976PLC001684
Name of the Company	Banswara Syntex Limited
Registered office	Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan
Name of the Member(s)	
Registered address:	
E-mail Id:	
Folio No/ Clint Id and DP ID:	

*I/We being the Member(s) of....., holding.....shares of Banswara Syntex Limited hereby appoint*

1.	Name:	Failing him/her
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	Failing him/her
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46<sup>th</sup> ANNUAL GENERAL MEETING of Members of the Company, to be held on Saturday, the 30<sup>th</sup> day of July, 2022 at 4.30 P.M. at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution No.	OPTIONAL*	
		FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
1	Adoption of: <ul style="list-style-type: none"> <li>a) the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 together with the reports of the Board of Directors and Auditors thereon; and</li> <li>b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and Auditors' report thereon</li> </ul>		
2	Declaration of dividend for the financial year 2021-22 on Equity Shares		
3	Re-appointment of Shri Rakesh Mehra, a Director retiring by rotation		
4.	Re-appointment of K.G. Somani & Co. LLP, New Delhi as Statutory Auditors of the Company		
<b>SPECIAL BUSINESS</b>			
5	Ratification of Cost Auditors' remuneration for the financial year 2022-23		
6	Approval for Sub-division /Split of equity shares of the Company		

\*It is optional to put a (✓) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this .....day of.....2022

Signature of Shareholder:

Affix  
₹ 1/-  
Revenue  
Stamp

Signature of Proxy holder(s):

**NOTE:**

- This Form of proxy in order to be effective, should be duly filed, stamped, signed and deposited at the Registered Office of the Company, before the commencement of the Meeting.
- A proxy need not be a Member of the Company and shall prove his identity at the time of attending Meeting.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- Proxy shall not have right to speak at the Meeting and shall not be entitled to vote except on a Poll.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 46<sup>th</sup> ANNUAL GENERAL MEETING.



## Banswara Syntex Limited

**REGISTERED OFFICE:** Industrial Area, Dahod Road,  
Post Box No. 21, BANSWARA-327 001 (Rajasthan)  
CIN:L24302RJ1976PLC001684

**Email:** secretarial@banswarasyntex.com; **website:** [www.banswarasyntex.com](http://www.banswarasyntex.com)  
**Phone No.** (02962) 257676, 257679-681; **Fax No.** (02962) 240692