



PBM POLYTEX LTD.

CIN :L17110GJ1919PLC000495
REGD. OFFICE: OPP. STATION, POST PETLAD – 388450,
DIST: ANAND, GUJARAT,
PHONE: 224001, 224003, STORES: 224005, SALES: 224006,
FAX (02697) 224009, E-Mail: pbmills@patodiagroup.com

THROUGH BSE.LISTING CENTRE

Date-29.08.2023

To,
The General Manager
M/s BSE Limited,
Department of Corporate Services,
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400001

Company Code: **BSE Limited, Listing Code – 514087**

Sir / Madam,

SUB: ANNUAL REPORT FOR THE FINANCIAL YEAR 2022-23

Pursuant to provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we attach herewith **a copy of the Annual Report of the Company for the FINANCIAL YEAR 2022-23** consisting of the following, for your information and records:

Sl. No.	Particulars
a)	Notice convening the 104 th Annual General Meeting of the Company which is to be held on Monday, the 25 th September, 2023.
b)	Directors' Report along with all its Annexures
i	Secretarial Audit Report
ii	Report on Corporate Governance
iii	Secretarial Auditors' Certificate on Compliance with conditions of Corporate Governance
iv	Management Discussion and Analysis Report
v	CEO certification on Compliance with Code of Business Conduct and Ethics
vi	CEO/CFO Certification
c)	Independent Auditors' Reports both Standalone and Consolidated
d)	Standalone and Consolidated Balance Sheets as of 31 st March, 2023 with Notes on Accounts
e)	Standalone and Consolidated Statements of Profit & Loss for the year ended 31 st March, 2023 with Notes on Accounts
f)	Cash Flow Statements for the year ended 31 st March, 2023.

Please acknowledge.

Thanking you,
Yours faithfully,
For PBM Polytex Limited

Gopal Patodia
Managing Director
(DIN: 00014247)

ENCL: Copy of the Annual Report for the financial year 2022-23.



PBM Polytex Limited

104TH ANNUAL REPORT 2022-23



PBM POLYTEX LIMITED

104TH ANNUAL REPORT (2022-23)

BOARD OF DIRECTORS	Shri Krishan Kumar Patodia Shri Gopal Patodia Shri Mohan Kumar Patodia Shri Hari Prasad Siotia Shri Jugalkishore Todi Smt. Vinita Devi Modi Shri Ashok Pandit Shri Rakesh Todi Shri Chirayush Patel Ms. Amishal Modi	Chairman Managing Director Managing Director cum CFO Non – Executive Director Independent Director (upto 20.04.2023) Independent cum Woman Director (upto 14.07.2022) Independent Director Independent Director Independent Director Independent Director (Appointed w.e.f. 12.08.2022)
SENIOR EXECUTIVES	Shri Amit Patodia Shri Vikash Patodia	Senior President cum CEO Senior President
COMPANY SECRETARY	Ms. Swati Sharda	
REGISTERED OFFICE	Opposite Railway Station, Petlad – 388450 Dist. Anand, Gujarat, Website – www.pbmpolytex.com	
MUMBAI OFFICE	12 th Floor, Raheja Chambers, 213, Nariman Point, Mumbai – 400 021	
CORPORATE OFFICE	8 th Floor, Ramakrishna Chambers, Productivity Road, Alkapuri, Vadodara – 390 007	
MANUFACTURING UNITS	(1) Opposite Railway Station, Petlad – 388 450 Dist. Anand, Gujarat. (2) Plot No. 16 to 19, Sector B, AKVN Industrial Area, Kheritaigaon, Borgaon, Dist. Chhindwara (MP)	
WINDMILLS	(1) Vill: Suthari, Revenue Survey No. 870/P, Abdasa Taluka, Dist. Kutch (Guj.) (2) Vill: OkhaMadhi, Survey No. 24 Part, Taluka Dwarka, Dist. Jamnagar (Guj.) (3) Vill: Methan Survey No. 284, Taluka Jamjodhpur, Dist. Jamnagar (Guj.) (4) Vill: Methan Survey No. 284/3 Paiki, Taluka Jamjodhpur, Dist. Jamnagar (Guj.)	
BANKERS	State Bank of India IDBI Bank Limited	
AUDITORS	M/s. Mahendra N. Shah & Co. (FRN : 105775W) Chartered Accountants, 201, Pinnacle Business Park, Corporate Road, Near Auda Garden, Prahaladnagar, Ahmedabad-380015.	
REGISTRAR AND SHARE TRANSFER AGENT ("RTA")	M/s. Link Intime India Pvt. Ltd. having its branch office at B-102 & 103, Shangrila Complex, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390 020	

PBM POLYTEX LIMITED

NOTICE TO SHAREHOLDERS

Notice is, hereby, given that the 104th Annual General Meeting of the Members of PBM Polytex Limited will be held through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), on **Monday, the 25th Day of September, 2023** at **11:00 A. M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements including Audited Balance Sheets as at 31st March 2023, Statements of Profit and Loss (along with Audited Consolidated Financial Statements) and Cash Flow Statements for the year ended on that date together with the Directors’ Report and Auditors’ Reports thereon.
2. To appoint a Director in place of Shri Krishan Kumar Patodia (DIN: 00027335) as director who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Gopal Patodia (DIN: 00014247) as director who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To ratify the remuneration payable to the Cost Auditor for the financial year 2023-24:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 65,000/- (Rupees Sixty Five Thousand only) plus GST and reimbursement of travelling and out-of pocket expenses to M/s. Y. S. Thakar & Co, Cost Accountants, Vadodara (FRN No-000318), as recommended by the Audit Committee and approved by the Board to conduct the audit of cost records and statements maintained by the Company for the financial year 2023 – 24, be and is, hereby, ratified and confirmed.

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

5. **To Consider Re-appointment of Shri Mohan Kumar Patodia (DIN: 00035381) as Managing Director of the Company for a period of 3 years from 1st April 2024.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of

Association of the Company and other required approval, if any, consent of the member be and is hereby accorded for the re-appointment of Shri Mohan Kumar Patodia (DIN : 00035381), who has attained the age of 70 years, as Managing Director of the Company for a period of 3 years effective from 1st April 2024 on the remuneration and other terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as permissible under Part II Section II(A) of Schedule V of the Act and as contained in the draft agreement placed before the meeting and initialed by the Chairman for identification with power to the Board of Directors to alter or vary the said terms and conditions of re-appointment and remuneration in such manner as the Board in their discretion deem fit and as acceptable to Shri Mohan Kumar Patodia.

FURTHER RESOLVED THAT the Board of Directors is, hereby, authorized to enter into the said agreement with such modifications or amendments as the Board may think fit.

FURTHER RESOLVED THAT the Board of Directors be and are, hereby, authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

6. To Consider Re-appointment of Shri Gopal Patodia (DIN: 00014247) as Managing Director of the Company for a period of 3 years from 1st April 2024.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and other required approval, if any, consent of the members be and is hereby accorded for the re-appointment of Shri Gopal Patodia (DIN : 00014247), who has attained the age of 70 years, as Managing Director of the Company for a period of 3 years effective from 1st April 2024 on the remuneration and other terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company and as permissible under Part II Section II(A) of Schedule V of the Act and as contained in the draft agreement placed before the meeting and initialed by the Chairman for identification with power to the Board of Directors to alter or vary the said terms and conditions of re-appointment and remuneration in such manner as the Board in their discretion deem fit and as acceptable to Shri Gopal Patodia.

FURTHER RESOLVED THAT the Board of Directors is, hereby, authorized to enter into the said agreement with such modifications or amendments as the Board may think fit.

FURTHER RESOLVED THAT the Board of Directors be and are, hereby, authorized to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

7. To reappoint Shri Rakesh Todi (DIN: 08476512) as an Independent Director of the Company for the second term of 5 consecutive years:

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

“RESOLVED THAT pursuant to provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of Companies Act 2013 and the rules and regulations framed thereunder, as amended from time to time, and other applicable regulation(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment thereof for the time being in force, if any, and as per the recommendation of Nomination and Remuneration Committee, the consent of the members, be and is, hereby accorded for reappointment of Shri Rakesh Todi (DIN: 08476512) as Independent Director of the company for the second term of 5 years from 13th August, 2024 to 13th August 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby, authorized to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or required in this regard.”

NOTES:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 2/2022 dated May 5, 2022, General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 (collectively referred to as “SEBI Circulars”), have permitted the holding of AGM through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue vide the above MCA circulars and provided relaxation to companies from dispatching physical copy of annual report vide above SEBI circulars. In compliance with the provisions of the Companies Act, 2013 (“Act”), amended provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India (‘SS-2’), the AGM of the Company will be held through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Company has fixed Monday, September 18, 2023 as Cut-off date for determining entitlement for remote e-voting as well as e-voting of shareholders holding shares in physical or dematerialized form.
4. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, the Company had stopped accepting any fresh transfer requests for securities held in physical form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat/electronic form to get inherent benefits of dematerialization. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in demat form only, while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios;

Transmission and Transposition. Accordingly, Shareholders 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 under the weblink at https://pbmpolytex.com/upload/investor_relations/form-isr-4-circular-p-pdf.pdf. It may be noted that any service request can be processed only after the folio is KYC compliant.

5. The Members can join the AGM in the OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. The details of Director seeking Appointment / Re-appointment pursuant to provisions of Regulation 36(3) of the Listing Regulations and Secretarial Standard – 2 are annexed herewith as Annexure - A.
8. Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all the Equity Shares held by such shareholders who have not claimed their dividend for consecutive seven years from the financial year 2015-16 shall be transferred to the Investor Education and Protection Fund (IEPF) Authority alongwith dividend remaining unpaid for the financial year 2015-16. The necessary notices in this regard have been given to all the concerned shareholders through Registered Post.
9. All the work related to share registry in terms of both physical and electronic, are being conducted by Company's Registrar & Share Transfer Agents, Link Intime India Pvt. Limited, B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390 020, Tel: +91 265 2356573 | 6136000, Email Id: vadodara@linkintime.co.in. The Members are requested to send their communication to the aforesaid address.
10. The Register of Members of the Company will remain closed from Sunday 17th September, 2023 to Monday, 25th September, 2023 (both days inclusive), for the purpose of Annual General Meeting.
11. All documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 1:00 p.m. on any working day except Saturdays and Sundays and holidays upto the date of Annual General Meeting.
12. In line with the MCA Circulars, the Notice calling the AGM and Annual Report have been uploaded on the website of the Company at <http://pbmpolytex.com>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of NSDL (authorized agency for providing the e-voting facility) i.e. www.evoting.nsdl.com.
13. ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT: As per the MCA General Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated

12th May, 2020, Notice of AGM along with Annual Report for the Financial Year ended 31st March, 2023 is being sent only in electronic mode (through email) to those Members whose e-mail addresses are registered with the Company/ Link Intime India Private Limited or the Depository Participant(s).

14. Members are requested to register / update their details of Email ID, Bank Details by accessing https://www.linkintime.co.in/EmailReg/Email_Register.html which is the portal of the RTA of the Company, M/s. Link Intime India Private Limited.
15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:
 - a. For shares held in electronic form: to their Depository Participants (DPs).
 - b. For shares held in physical form: to the Company / Registrar and Transfer Agent of the Company in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated March 16, 2023. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to aforesaid SEBI Circulars in Form ISR-1 and other Forms. These Forms are also available on the website of the Company at <https://pbmpolytex.com/investor-relations/2/>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1 and such other Forms, as may be applicable to them.
16. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH - 13 with Registrar. In respect of shares held in demat form, the nomination form may be filed with the respective DP. As per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated March 16, 2023, the common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nominations with various forms are made available at the Company's website at <https://pbmpolytex.com/investor-relations/2/> for easy access.
17. This information has also been placed on the Company's, as well as, BSE's websites and notified in Newspapers. The shareholders should take proper care in this regard in their interest as advised in the Notices by the Company. Such action will continue to be enforced year after year.
18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

19. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on 22nd September 2023 at 09:00 A.M. and ends on 24th September 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 18th September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 18th September, 2023.

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

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





Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select

	<p>“Register Online for IDeAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <ol style="list-style-type: none"> 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. 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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting 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) 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. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 125216 then user ID is 125216001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a

.pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

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

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

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cssamdani@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

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

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the UserID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at pbmcs@patodiagroup.com. The same will be replied by the company suitably.
6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email ID mentioning their name, DP ID & Client ID / Folio Number, Mobile Number to the Company at pbmcs@patodiagroup.com on or before 18th September, 2023. Those members who have registered themselves as speakers will only be allowed to express their views or ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of the time for AGM.

By Order of the Board
For PBM Polytex Limited

Place : Vadodara
Date : 12.08.2023

GOPAL PATODIA
Managing Director
(DIN: 00014247)

Statement as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 102 of the Companies Act, 2013, as may be applicable.

ITEM NO. 4

The Cost Records and related statements of the Company are subject to audit as required under section 148 of the Companies Act, 2013 for which, on the recommendation of Audit Committee, M/s. Y.S. Thakar & Co, Cost Accountant (FRN No. 000318), has been appointed as Cost Auditor by the Board of Directors of the Company for the financial year 2023-24 at total remuneration of Rs. 65,000/- plus GST plus Out of pocket expenses (Out of pocket expenses to be defined as expenses for visiting factories or offices which will only include actual taxi charges and meal expenses), also including all charges of XBRL. The consent of the members is sought for ratification of remuneration payable to the Cost Auditor.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, members of the Company are required to ratify the remuneration to be paid to the Cost Auditors.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Resolution set out under Item No. 4 of the Notice for approval of the Members as an Ordinary Resolution.

ITEM NO. 5 & 6

These items relate to the re-appointment of Shri Gopal Patodia and Shri Mohan Kumar Patodia, the Managing Directors of the Company. The present term of office of Managing Directors of the Company, namely Shri Gopal Patodia and Shri Mohan Kumar Patodia, expire on 31st March 2024, who have been in the office of Managing Directors of the Company since 1st April, 1979 and 1st August, 2007 respectively. During the tenure of their Management, the Company has made considerable progress in all spheres and has since acquired good name and reputation in business.

Shri Gopal Patodia and Shri Mohan Kumar Patodia both are quite healthy and able to devote enough time for handling the activities of the Company and their age which is more than 70 years will not come in way of performing their duties to the utmost satisfaction. In fact, considering their educational qualifications, vast experience of more than 45 years and expertise in Textile Industry, mainly Yarn trading, manufacturing and administrative skills, the Company is in need of their services in this challenging time.

In view of the above and as recommended by the Nomination and Remuneration Committee, the Directors confidently feel that the Company should continue to avail the services of both the Managing Directors. Hence, the Board of Directors at its meeting held on 12th August, 2023 has considered it necessary to re-appoint Shri Gopal Patodia and Shri Mohan Kumar Patodia as Managing Directors of the Company for a further period of 3 (three) years with effect from 01.04.2024 subject to the approval of members of the Company at the 104th Annual General Meeting by way of Special Resolution.

Shri Gopal Patodia and Shri Mohan Kumar Patodia are presently being paid Rs. 3,25,000/- and Rs. 1,90,000/- per month respectively, towards salary plus other perks, not exceeding the overall yearly limit of Rs. 84,00,000/- (Rupees Eighty Four Lakh Only) each per year as permissible under

Part II Section – II(A) of Schedule V of the Companies Act, 2013 and now they are to be paid Rs. 3,50,000/- and Rs. 2,00,000/- per month respectively, towards salary and other perks not exceeding Rs. 84,00,000/- (Rupees Eighty Four Lakh Only) each per annum as permissible under Part II Section II(A) of Schedule V of the Companies Act, 2013. Apart from this, provision has also been made for commission payable as sanctioned by the shareholders by way of Special Resolution and as is permissible under the Section 197 of the Companies Act, 2013.

The details of the remuneration as recommended as set out and specified in the draft agreements to be executed between the Managing Directors and the Company is given hereunder, subject, however, to the consent of the members by way of Special Resolutions at the 104th Annual General Meeting.

Remuneration payable to the Managing Directors with effect from 01.04.2024:-

(a) Salary: From 01.04.2024 to 31.03.2027

Shri Gopal Patodia : Rs. 3,50,000/- per month.

Shri Mohan Kumar Patodia : Rs. 2,00,000/- per month.

(b) Incentive: Up to 10% of the salary as may be decided by Board from time to time to both of them.

(c) Commission will be paid in addition to the salary and perquisites based on the “Net Profits” of the Company in the particular year subject to the overall ceiling laid down in Section 197 of the Companies Act, 2013 and further subject to the limits as provided in the Companies (Meetings of Board and its Powers) Rules, 2014, so as not to exceed in aggregate the amount permitted under Section 197(1) read with these rules.

(d) Perquisites:

1. Housing:

i. Shri Gopal Patodia will continue to be provided a House Rent Allowance of Rs. 45,000/- p.m.

ii. Shri Mohan Kumar Patodia will be paid House Rent allowance @ 60% of his salary.

2. The expenditure incurred by the Managing Directors at their residence for Gas, Electricity and Water shall be reimbursed by the Company.

3. Reimbursement of all medical expenses incurred in India or abroad by the Managing Director for self and his family including in case of medical treatment abroad, air fare, boarding and lodging for patient and attendant.

4. Leave Travel Concession for the Managing Directors and their family will be allowed once in a year.

5. Fees of Clubs: Subject to maximum of two clubs. This will not include admission and life membership fees.

6. Personal Accident Insurance and Mediclaim Insurance for the Managing Directors and his family, total Premium for which shall not exceed Rs. 1,00,000/- p.a. or such higher amount as may be approved by the Board.
 7. Contribution to Provident Fund and Contribution to Superannuation Fund: Contribution to Provident Fund and Superannuation Fund or Annuity Fund not exceeding in total 25% of the salary of the Managing Directors.
 8. Gratuity: At the rate of one month's salary for each completed year of service.
 9. Provision of car with Driver for use on Company's business and also for personal use and telephone at the residence of Managing Directors.
 10. Privilege Leave Encashment: As per Company's rules.
 11. Subject to the statutory ceiling(s) as laid down in Part II, Section II(A), of Schedule V of the Companies Act, 2013 being Rs. 12,50,000/- per month, the Managing Director may be given any other allowances, perquisites, benefits and facilities within the aforesaid limits as the Board of Directors from time to time may decide.
 12. Cost of Insurance cover against the risk of any financial liability or loss because of any error of judgment.
- (e) Minimum Remuneration: Both the Managing Directors shall be paid the remuneration as stated above as minimum remuneration, in the event of inadequacy of profits subject to the ceiling of remuneration as stated in Part II, Section II (A) of Schedule V of the Companies Act, 2013 with such modifications as may be made therein from time to time, being in force.
 - (f) The above information may please be considered as an extract under Section 102 of the Companies Act, 2013.
 - (g) The Nomination and Remuneration Committee has approved the re-appointment and remuneration payable to Shri Gopal Patodia and Shri Mohan Kumar Patodia, the Managing Directors of the Company at their meeting held on 12th August, 2023 as required under Section 178 and Part II, Section II (A) of Schedule V of the Companies Act, 2013.
 - (h) The Company has not made any default in its Loan obligations.
 - (i) The Special Resolutions as needed by the aforesaid requirement is proposed for approval of the shareholders.
 - (j) General Information:
 1. Nature of Industry:
The Company is having two yarn spinning units one at Petlad, Dist. Anand (Guj.) and another at Borgaon, Dist. Chhindwara (M. P.) and manufactures cotton yarn at the said units and substantially exports its product. It has also four Windmills generating electricity.
 2. Date or Expected date of commencement of commercial production: Company's units are already in production.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus. – Not Applicable in case of the Company.

4. Financial performance based on given indicators.

Company's first unit set-up at Petlad, Dist. Anand, Gujarat, started commercial production in the year 1922 and was taken over by the present management in the year 1978. The other unit set-up at Borgaon, Dist. Chhindwara, Madhya Pradesh, commenced its production in the year 1992. Four Windmills have also been set up in the year 2006-07 and 2007-08. The Company is profit earning and has paid dividend continuously since 1985-86 except for the years 2007-08, 2008-09 and 2019-20. The Company's financial performance is given hereunder:

(Rs. In Lacs)

YEAR	2020-21	2021-22	2022-23
Capital	688	688	688
Free Reserves	7043	10243	10443
Effective Capital	10557	12793	12640
Exports	4863	11092	5332
Total Sales & Other Income	15634	25826	20529
Profit Before Depreciation & Tax	786	3416	403
Profit Before Tax	433	3088	56
Profit / (Loss) After Tax	314	2300	30

5. Foreign Investments or Collaborations if any: Not Applicable in case of the Company.

(k) Information about the appointees:

1. Shri Gopal Patodia

i. Background Details:

Shri Gopal Patodia is B.Sc and B.Tech (Chemical), having a rich and varied experience in the Textile Industry of more than 45 years. He holds rich experience in the Textile Industry in all the fields including raw material purchase, manufacturing, administration, finance, management and marketing. The Company has fared very well under his supervision and administration.

ii. Past remuneration:

During the financial year 2022-23, Shri Gopal Patodia was paid the following remuneration:

(Rs.)

Salary	Perquisites	Retirement Benefit	Commission	Total
39,00,000	19,22,434	11,05,000	0	69,27,434

iii. Recognition or Awards:

Company has been recognized as Star Export House by the Central Government.

iv. Job Profile and his suitability:

As a Managing Director of the Company, Shri Gopal Patodia has overall managerial responsibility and with his rich experience of more than 45 years of management at top levels in the Textile Industry, he is well suited for the post. He has been handling and monitoring all the activities of the Company including mill management, finance, administration, purchase and marketing. He has been guiding force resulting in the good performance of the Company both in exports, as well as, in domestic market. In view of his increased responsibilities and working requirements the remuneration recommended is fair and justified.

Shri Gopal Patodia is quite healthy and able to devote enough time for handling the activities of the Company and his age which is little more than 70 years will not come in way of performing his duties to utmost satisfaction. In fact, considering his educational qualifications, vast experience of over 45 years and expertise in Textile Industry, mainly Yarn trading, manufacturing and administrative skills, the Company is in need of his services in this challenging time.

- v. Remuneration proposed has already been given in detail in Explanatory Statement appended to the notice of the meeting.
- vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the Country of his origin).

The Nomination and Remuneration Committee and the Board of Directors of the Company have considered the profile of rich and diversified experience in the Textile industry. Proposed remuneration of Shri Gopal Patodia is comparable and is at par with Industry norms considering the nature of industry, size of the Company, profile and position of the persons. His abilities have stood to the test of time of crisis in Textile Industry.

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

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the Company. Further, all transaction with the related Parties were in the ordinary course of business and at arm's length basis. Directors Shri Krishan Kumar Patodia and Shri Mohan Kumar Patodia are related to Shri Gopal Patodia.

2. Shri Mohan Kumar Patodia

i. Background Details:

Shri Mohan Kumar Patodia is B.Com and Textile Technocrat, having a rich and varied experience in the Textile Industry of more than 43 years. He holds rich experience in the Textile Industry in all the fields including raw material purchase, manufacturing, administration, finance, management and marketing. The Company has fared very well under his supervision and administration.

ii. Past remuneration:

During the financial year 2022-23, Shri Mohan Kumar Patodia was paid the following remuneration:

(Rs. In Lacs)				
Salary	Perquisites	Retirement Benefit	Commission	Total
22,80,000	22,05,942	6,46,000	0	51,31,942

iii. Recognition and Awards:

Company has been recognized as Star Export House by the Central Government.

iv. Job Profile and his suitability:

As the Managing Director of the Company, Shri Mohan Kumar Patodia has overall managerial responsibility and with his rich experience of more than 43 years of management at top levels in the Textile Industry, he is well suited for the post. He has been handling and monitoring all the activities of the Company including, finance, administration, purchase and marketing. He has been contributing to the good performance of the Company both in exports, as well as, in domestic market. In view of his increased responsibilities and working requirements the remuneration recommended is fair and justified.

v. Remuneration proposed has already been given in detail in Explanatory Statement appended to the notice of the meeting.

vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the Country of his origin).

The Nomination and Remuneration Committee and the Board of Directors of the Company have considered the profile of rich and diversified experience in the Textile Industry. Proposed remuneration of Shri Mohan Kumar Patodia is comparable and is at par with the Industry norms considering the nature of industry, size of the Company, profile and position of the persons. His abilities have stood to the test of time of crisis in Textile Industry.

vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

The Company had not entered into any transaction of a material nature with any of the related parties which were in conflict with the interest of the company. Further, all transactions with the related Parties were in the ordinary course of business and at arm's length basis. Directors Shri Krishan Kumar Patodia and Shri Gopal Patodia are related to Shri Mohan Kumar Patodia.

(l) OTHER INFORMATION (applicable for both the Managing Directors):

1. Reasons of loss or inadequate profits – The company is continuously profit making except during the year 2019-20 when complete Textile industry (mainly yarn spinning units) were put to heavy losses during the year because of cotton prices which was very high on account of increase in Minimum support price by Government and steep reduction in exports.

2. Steps taken or proposed to be taken for improvement- Because of bad effects on account of COVID 19 pandemic. The Company's Management is monitoring the situation and shall try its best to do the needful. Hope for improvement as soon as possible.

3. Expected increase in productivity and profits in measurable terms: As stated in Directors' Report.

(m) DISCLOSURES

1. The shareholders of the Company shall be informed of the remuneration package of the managerial person.
The details are given in the Explanatory Statement u/s 102 of Item Nos. 5 and 6.
2. The following disclosures have been mentioned in the Board of Directors' report under the heading "Corporate Governance", if any, attached to the annual report:-
 - i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors;
Shri Gopal Patodia and Shri Mohan Kumar Patodia are the Managing Directors of the Company and have been paid remuneration as prescribed in Schedule V of the Companies Act, 2013 and the same has been suitably disclosed.
 - ii. Details of fixed component and performance linked incentive along with the performance criteria.
Both the Managing Directors are paid by way of fixed component, a minimum remuneration as per Schedule V of the Companies Act, 2013 and are sought to be paid commission on net profits only if such commission is in excess of the above referred minimum remuneration.
 - iii. Service contracts, notice period, severance fees;
There exist Contracts of Services between Shri Gopal Patodia and the Company providing three years as tenure of service and between Shri Mohan Kumar Patodia and the Company also providing three years as tenure of service.
 - iv. Stock option detail, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable – Not Applicable.

Shri Krishna Kumar Patodia, Shri Gopal Patodia and Shri Mohan Kumar Patodia, the Directors of the Company and Shri Amit Patodia, Sr. President cum Chief Executive Officer (KMP) are concerned or interested in the resolutions proposed under items Nos. 5 and 6 in as much as they are related to each other.

ITEM NO. 7

The first term of Mr. Rakesh Todi (DIN: 08476512), as an Independent Director, shall expire on 13th August 2024. He being eligible for reappointment as Independent Directors of the company for the second term of further five years. The Nomination and Remuneration Committee ("NRC") and the Board of Directors have recommended his reappointment for the second term of five years from 13th August, 2024 to 13th August, 2029 subject to the approval of the shareholders.

In requirement of SEBI (LODR) read with Companies Act 2013, the company has received a declaration from Mr. Rakesh Todi confirming the fulfillment of requirement to be re-appointed as independent director of the company.

Mr. Rakesh Todi is Commerce Graduate by qualification and having rich experience in the field of financial market. The Company has received notice u/s. 160 of the Companies Act 2013 from a Member proposing Mr. Rakesh Todi as candidate for the Office of Director of company and considering his experience, Nomination and Remuneration Committee and Board is of view that his appointment will be immensely helpful to the company in many ways and have recommended for his Re-appointment as Non-Executive Independent Director of the company.

Details pursuant to Regulation 36 of SEBI (Listing obligations and disclosures requirements), Regulations 2015, and Secretarial Standard - II, on General Meeting issued by the Institute of Company Secretaries of India, is attached as Annexure - A.

Mr. Rakesh Todi, if appointed shall be with effect from 13th August, 2024 for a period of 5 years.

The Directors accordingly recommend to pass the Resolution at Item No. 7 of the Notice as a Special Resolution.

Except to the extent of the shareholding none of the Directors except Mr. Rakesh Todi and his relatives, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

Annexure – A

Details of Directors seeking Appointment/Reappointment at the 104th Annual General Meeting pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-II issued by the Institute of Company Secretaries of India (“ICSI”) are as under:

Sl. No.	Name of Director	Shri Krishan Kumar Patodia, Chairman	Shri Gopal Patodia, Managing Director	Shri Rakesh Todi Independent Director	Shri Mohan Kumar Patodia Managing Director cum CFO
1	DIN (Director Identification Number)	00027335	00014247	08476512	00035381
2	Date of Birth	26.05.1945	12.12.1946	23.11.1958	10.06.1948
3	Age (in Years)	78	77	65	75
4	Date of First Appointment on the Board	12.06.1979	12.09.1978	13.08.2019	09.08.1980
5	Qualifications	B.Sc Text (Hons.)	B.Sc. B. Tech (Chemical)	B.Com	B.Com. Textile Technocrat
6.	No. of shares held in Company as on 31 st March, 2023	141028	27369	13227	67998
7.	Brief profile and nature of their expertise in specific functional areas.	Gold medalist in textile engineering. More than 56 years of rich experience in managing textile industries. Also he is Managing Director of Eurotex Industries and Exports Limited and Chairman of the Company since 1984.	B.Sc., Chemical Engineer (first division). More than 50 years of experience in managing textile industry and marketing. He is Managing Director of the Company since 1978.	Rich experience of financial market.	More than 46 years of experience in marketing of Cotton Yarn and other Textile Product. He is Managing Director of the Company since 01.08.2007.
8.	Number of meetings of the Board attended during the year 2022-23	1	4	3	2
9.	Directorship of other Companies	Eurotex Industries and Exports Limited; Patodia Syntex Limited; Maharashtra Fibres & Syntex Limited; Eurospin Industries Limited; Sambhu Investments Private Limited; Rajiv Agencies LLP; Thrust Invest. & Mgt. Consult. LLP.; Mercury Gems Private Limited; Patodia Company Pvt.	Patodia Syntex Limited; Shashank Investments Private Limited; Trikon Investments Private Limited; Sambhu Investments Private Limited Veepee Intrades Private Limited.	NIL	Eurospin Industries Limited; Sambhu Investments Private Limited; Patodia Organics LLP; Trikon Investments Pvt. Ltd.

		Ltd.			
10.	Chairman of Committees of other Companies	CSR Committee, Eurotex Industries and Exports Limited	NIL	NIL	NIL
11.	Member of Committees of other Companies	Stakeholders Relationship Committee, Eurotex Industries and Exports Limited	NIL	NIL	NIL
12.	Relationship with other Directors, Manager and Key Managerial Personnel ("KMP")	Brothers: Shri Gopal Patodia and Shri Mohan Kumar Patodia	Brothers: Shri Krishan Kumar Patodia, and Shri Mohan Kumar Patodia Son: Shri Amit Patodia – Senior President cum CEO	N.A.	Brothers: Shri Krishan Kumar Patodia and Shri Gopal Patodia Son of Brother (Shri Gopal Patodia): Shri Amit Patodia – Senior President cum Chief Executive Officer

By Order of the Board
For PBM Polytex Limited

GOPAL PATODIA
Managing Director
(DIN : 00014247)

Place : Vadodara
Date : 12.08.2023

PBM POLYTEX LIMITED
DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the Hundred and Fourth Annual Report of the Company together with the Audited Standalone and Consolidated Statements of Accounts for the financial year ended 31st March, 2023.

1. FINANCIAL PERFORMANCE

(Rs. in Lakhs)

Particulars	2022-23	2021-22
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	459.92	3508.11
<u>Less:-</u> Interest and Financial Charges	57.00	91.78
Profit before depreciation and tax	402.92	3416.33
<u>Less:-</u> Depreciation and Amortization	346.83	328.54
Profit Before Tax	56.09	3087.78
<u>Less:-</u> Provision for Taxation (Net)	23.93	814.37
	32.16	2273.41
<u>Add:-</u> Deferred Tax Assets	2.44	26.15
Profit After Tax (PAT)	29.73	2299.56
<u>Add:-</u> Other Comprehensive Income	91.97	40.09
Total Comprehensive Income for the year	121.70	2339.65
<u>Add:-</u> Surplus brought forward	1737.62	2701.16
Amount available for Appropriation	1859.32	5040.81
<u>Less :- Appropriation:-</u>		
General Reserve	200.00	3200.00
Dividend	275.16	103.19
Total Appropriation	475.16	3303.19
Balance carried to Balance Sheet	1384.16	1737.62

- Dividend Declared and paid in FY 2022-23 for FY 2021-22.

2. DIVIDEND

Your Directors have decided not to declare any dividend for the financial year 2022-23.

3. TRANSFER TO RESERVES

Your directors have decided to transfer Rs. 2,00,00,000/- (Rs. Two Crores Only) to General Reserve from profits.

4. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year 2022-23.

5. BUSINESS OPERATIONS / STATE OF COMPANY'S AFFAIRS

During the financial year 2022-23, the performance of our Company has been poor. Even though cotton prices have fallen steeply from its peak, simultaneously, yarn prices also fell down steeply causing turmoil in the whole value chain. Export of cotton yarn fell down by around 50%, creating a situation of surplus cotton yarn in the Industry. Also because of such high volatility, demand by local consumers also steeply declined.

Due to high inflation in the last two years, discretionary buying by the consumers at large has reduced. Fabrics and garments buying has also reduced. This in effect has made surplus in cotton yarn supply, causing yarn prices to sharply decline.

Absenteeism at Petlad unit continues to be high. All-out efforts by H.R. department to recruit and train new apprentices continues. Comparatively Borgaon Unit capacity utilization is better around 85% to 90%, mainly because of accumulation of unsold inventory and poor demand. The modernization work taken up at Borgaon unit is fully completed successfully.

Electricity charges at Petlad unit has sharply increased which we are not able to pass on causing further losses.

During the current year, the outlook still appears very bleak. Export continues to be very dull around 50 % of previous year, resulting in Surplus unsold inventories in the hand of the manufacturers due to poor domestic demand. Besides which for the new cotton season, the Government of India has announced 10% increase in minimum support prices of Kapas. It will be difficult to pass on the increased raw material cost to the consumer. Immediate future appears to be bleak. Only hope is export yarn may pick up and domestic demand may get restored. The Company is taking all the steps to cut cost, whenever possible, to minimize our losses.

During the current year, in order to reduce cost of power, the Company proposes to set up 2-3 MW Solar Power Plant costing between Rs. 3-4 Crores, which is envisaged to be put up in Petlad Unit Mill premises, for which evaluation work is in progress, after which Company proposes to proceed with this investment. Beside that one yarn conducting machine and its building is proposed to be put up at Petlad at a cost of Rs. 60-70 Lakhs. The old machine is more than 25 years old and needs to be replaced.

6. INDEPENDENT DIRECTORS' DECLARATION

All the Independent Directors of the Company have given their declarations that they meet the criteria of Independence as prescribed under section 149 (6) of the Companies Act, 2013 ("the Act").

7. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Shri Krishan Kumar Patodia (DIN: 00027335) and Shri Gopal Patodia (DIN: 00014247) Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting ("AGM") of the Company and being eligible, offer themselves for re-appointment.

Subject to the approval of members at the ensuing AGM, the Board of Directors at its meeting held on 12th August, 2023, on recommendations of the Nomination and Remuneration Committee, has proposed to re-appoint Shri Rakesh Todi (DIN: 08476512) as Independent Director of the Company w.e.f. 13th August, 2024 for a further period of 5 consecutive years by way of special resolution.

Subject to the approval of members at the ensuing AGM by way of special Resolution, on recommendations of the Nomination and Remuneration Committee ("NRC") the Board of Directors at its meeting held on 12th August, 2023, has proposed to re-appoint Shri Gopal Patodia (DIN : 00014247) and Shri Mohan Patodia (DIN : 00035381) as Managing Directors of the Company w.e.f. 01.04.2024 for a further period of three consecutive years and to approve their Remuneration as recommended and Board hereby obtains the consent of Shareholders as required under Section 196 of the Act. Since both of them

have attained the age of 70 years since they are quite healthy and able to discharge their duties very efficiently.

Shri Jugalkishore Todi, Independent Director has submitted his resignation vide letter dated 20.04.2023, from the office of the Director due to his other commitments and priority as a result, he could not spare time to contribute and continue as director w.e.f. 20.04.2023. He was appointed as Director on the Board of Directors of the Company w.e.f. 31st August, 2006 and reappointed as Independent Director for the period of five consecutive years i.e. from 2nd August 2019 to 1st August, 2024. Board appreciated his valuable services rendered to the company during his tenure as director.

Smt. Vinita Devi Modi, Independent Director has submitted her resignation vide letter dated 14.07.2022, from the office of the Director due to her other commitments and priority as a result, she could not spare time to contribute and continue as director w.e.f. 14.07.2022. She was appointed as an Independent Director on the Board of Directors of the Company w.e.f. 20th September, 2014 for the period of five consecutive years i.e. upto 19th September, 2019 and was re-appointed as an Independent Women Director on 30th September 2019 for the second the term of five consecutive years i.e. upto 19th September 2024. Board appreciated her valuable services rendered to the company during her tenure as director.

Ms. Amishal Modi (DIN: 09661312), was appointed as an additional director by the Board in it's meeting on 12th August, 2022 and appointed as Independent Women Director by the shareholders in 103Rd AGM held on 28.09.2022, for the period of five consecutive years.

The details in respect of qualification, area of expertise etc. of all the above appointee directors are provided in annexure to the notice. You are therefore in the interest of the company requested to accord your consent to these resolutions.

Neither of these Directors are disqualified under Section 164(2) of the Act.

8. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Sections 2(51) and 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are acting as Key Managerial Personnel of the Company:-

- | | | | |
|------|--------------------------|---|---|
| i. | Shri Gopal Patodia | : | Managing Director |
| ii. | Shri Mohan Kumar Patodia | : | Managing Director cum Chief Financial Officer |
| iii. | Shri Amit Patodia | : | Senior President cum Chief Executive Officer |
| iv. | Ms. Swati Sharda | : | Company Secretary cum Compliance Officer |

9. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, Board's Committees, as well as, Directors individually including performance of Independent Directors, after seeking inputs from all the Directors/Committee members and finds it satisfactory.

10. BOARD MEETINGS

The Board of Directors have met four times during the financial year 2022-23.

The details of Board Meetings held are disclosed in Corporate Governance Report appended to Directors' Report.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the Provisions of Section 134(3)I of the Act, your Directors confirm that –

1. in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. the accounting policies adopted are consistently applied and judgments made and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the said period;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing & detecting errors & frauds and other irregularities;
4. annual accounts have been prepared on a going concern basis;
5. internal financial controls (as required by explanation to section 134(5)I of the Act) is being followed by the Company and that such internal financial controls are adequate and were operating effectively;
6. proper systems have been devised to ensure compliance with all other applicable laws and that such systems are adequate and operating effectively.

12. SHARE CAPITAL

There was no change in the authorized/issued or paid up share capital of the company during the year.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

The Company has given inter corporate loan to Eurotex Industries & Exports Limited i.e. it's Associate Company, of Rs. 3,00,00,000/- (Rupees Three Crores) at 7% rate of interest, by way of mortgage of land of the borrower company, by executing loan agreement and equitable mortgage. Investments in mutual funds made during the year have all been encashed. Short Term deposits with banks have, however, been made the details of which are given under Note pertaining to Cash and Bank Balances. All these investments including long term investments are within the limits prescribed under Section 186 of the Act.

There were no investments in equity/preference shares made during the year under review. The company has not extended any Corporate Guarantee during the year under review. Details of existing loans and investments covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

14. INDUSTRIAL RELATIONS

During the year under review, the Industrial relations remained cordial at both the Petlad and Borgaon Units of the Company.

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

The Company has, in place, an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee ("Committee") has been set up to redress the complaints received regarding sexual harassment. During the year, no complaints of this nature were received by the Committee.

16. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to section 197 (12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is given in **Annexure “A”**.

There is no Employee in the company who was / is drawing remuneration more than managerial personnel nor there is any employee who has drawn remuneration more than Rs. 102.00 Lakhs p.a. or 8.50 Lakhs p.m. as described under Rules Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

17. SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company. However, the Company holds 22,31,980 Equity Shares of Rs. 10/- per share and also 46,00,000; 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- per share of Eurotex Industries and Exports Limited (CIN : L70200MH1987PLC042598) having its registered office at 809 – Raheja Chambers, 8th Floor, 213 – Nariman Point, Mumbai and Spinning Unit at Kolhapur. Form AOC – 1 as required under section 129(3) of the Act is attached as **Annexure “A (1)”**.

Accordingly, the said Eurotex Industries and Exports Limited is an Associate Company of our Company as defined under section 2(6) of the Act by virtue of the fact that our Company holds 25.5087% equity share of that Associate Company.

In pursuance of section 129 of the Companies Act, 2013 including any amendment and/or modifications thereof read with other applicable provisions of the Financial Statements of our Company and the associate company has been consolidated and accordingly, the share of our Company in Reserves and Surplus of the Associate Company upto the period 31.03.2014 has been accounted and exhibited under the head “Reserves and Surplus” as Capital Reserves, and the results from the F.Y. 2014-15 to 2022-23 have been incorporated in Consolidated Statement of Profit and Loss (of relevant years). The corresponding effect of the above has been given in the value of shares of the Associate Company held by us and has been shown under Note No. 5 of Balance Sheet of the Consolidated Balance Sheet under Investments (Non – Current). The working of the Mill of the said Company is at grinding halt due to the continuous illegal strike by the workers since long and the company is suffering huge losses. The loans and dues of Banks and financial institutions have been fully paid. The portion of our company’s share in profit/losses of the associate company has been shown in Form AOC-1 as required under the Act.

Eurotex Industries and Exports Limited, through it’s Board Meeting conducted on 4th February, 2023, had decided to delist the Equity Shares of the Company from BSE Limited. However, the Equity Shares of the Company continues to remain listed at NSE.

18. RELATED PARTY TRANSACTIONS

All Related Party Transactions as entered into during the financial year were at Arm’s Length basis and were in ordinary course of business. No materially significant related party transactions were entered/effected/undertaken by the Company with Promoters, Directors, Key Managerial Personnel, other designated persons or other related parties, which may have potential conflict with the interest of the Company at large.

All related party transactions were approved by the Audit Committee, as well as, the Board of Directors. The summary of such transactions is given in Note No. 40 of ‘Notes forming part of Accounts’.

The Policy on Related Party Transactions has been uploaded on the Company's Website, web-link of which is https://pbmpolytex.com/upload/investor_lodr_reg/policy-on-related-party-transactions.pdf Form AOC – 2 as required under section 134 (3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure “A (2)”**.

During the year, the Company has made changes in the policy to bring them in line with the amendments in the SEBI Listing Regulations, 2015.

19. DISCLOSURE ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

In terms of Sub-section 3(m) of Section 134 of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in **Annexure “B”** forming part of this report.

20. ANNUAL RETURN AND EXTRACT OF ANNUAL RETURN

As per provisions of Section 92 of the Companies Act, 2013 read with Rules made thereunder, a draft Annual Return of the Company for the financial year 2022-23 is available on the website of the Company, web-link of which is https://pbmpolytex.com/upload/investor_lodr_reg/form-mgt-7-2022-2023.pdf

21. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY

The Board of directors has amended the applicable Policies to bring them in accordance with the SEBI regulation and keeping in view better corporate governance.

The CSR Policy has been placed on the Company's website www.pbmpolytex.com. The details in respect of CSR activities and expenditure forming part of the Directors' Report is attached as **Annexure “C”**. Pursuant to MCA Notification dated 22.01.2021 the CSR Committee is no longer required.

22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a well-defined Whistle Blower Policy and has established Vigil Mechanism which provides adequate safeguards against victimisation of Reporting persons who follow such mechanism and also make provisions for direct access to the Chairman of Audit Committee in appropriate cases. The Vigil Mechanism / Whistle Blower Policy has been placed on the Company's website www.pbmpolytex.com.

23. POLICY ON NOMINATION AND REMUNERATION

In compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Nomination and Remuneration policy which has been uploaded on the Company's website. The web-link for Nomination & Remuneration Policy is https://pbmpolytex.com/upload/investor_lodr_reg/7-nomination-and-remuneration-policy-final-13022023.pdf. The salient features of the NRC Policy are as under:-

- a.) Setting out the objectives of the Policy
- b.) Definitions for the purposes of the Policy
- c.) Policy for appointment and removal of Director, KMP and Senior Management
- d.) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.

24. RISK MANAGEMENT POLICY

The Company has a structured Risk Management Policy. The Risk Management Process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process so that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section.

25. COMMITTEES OF THE BOARD

The Company has already formed the following committees to ensure timely compliances and better corporate governance of all the applicable rules and regulations:

- (i) Audit Committee, 2) Nomination & Remuneration Committee and 3) Stakeholders Relationship Committee. The details about these committees are given in the Corporate Governance Report.

26. INSURANCE

All the properties of the Company including plant and machinery, stocks etc. have been adequately insured. The Company has also taken adequate insurance cover for loss of profit and Standing Charges.

27. AUDITORS

(ii) Statutory Auditors

M/s. Mahendra N. Shah & Co., Chartered Accountants (FRN: 105775W), Ahmedabad, who were appointed as Statutory Auditors of the Company at the 103rd Annual General Meeting of the Company will continue as such for the term of five years.

B. Secretarial Auditors

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Samdani Shah and Kabra, (CP No:2863) a firm of Practicing Company Secretaries, Vadodara, as Secretarial Auditors for the financial year 2023-24 to undertake Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2022-23 is annexed herewith as **Annexure "D"**.

C. Cost Auditor

M/s. Y. S Thakar & Co., has been appointed as Cost Auditor for audit of cost records and statements for the financial year 2023-24 also. The proposed remuneration for the said financial year, as stated in the notice of the ensuing Annual General Meeting, is to be confirmed by the shareholders as required under section 148 of the Act.

Further the company has made and maintained proper Cost Records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for its business activities carried out during the year.

D. Internal Auditors

Shri. Yegasubramaniam Iyer, (Membership No-045781), Chartered Accountants, Vadodara have been appointed as Internal Auditors for conducting internal audit of Petlad Unit of the Company for the financial year 2023-24.

Further, the Directors in their Board Meeting dated 29.05.2023, have appointed M/s. D. P. Sarda & Co., (FRN: 117227W), Chartered Accountants, Nagpur, as Internal Auditors of Borgaon Unit of the Company, for the financial year 2023-24 and onwards.

Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the Auditors' Reports;

No disqualifications, reservations, adverse remarks or disclaimers have been reported in the Auditors' Reports, requiring any explanation or comments by the Board of Directors of the Company.

28. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSIONS & ANALYSIS REPORT

The Company has complied with all the applicable requirements of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Separate Report on Corporate Governance and a Certificate obtained from M/s. Samdani Shah & Kabra, Practicing Company Secretaries, regarding compliance with the conditions of Corporate Governance and Management Discussions & Analysis Report are annexed herewith with as **Annexure "E"** which forms part of this Report.

29. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting the financial position of the Company have occurred during the financial year and upto the date of this Report.

30. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant and/or material orders were passed by any Regulator or Court or Tribunal impacting the going concern status and the Company's operations in future.

31. INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems, commensurate with the size and scale of the Company. However, looking to the need of the time it has been decided to widen the scope of internal audit and accordingly internal auditors have been appointed for Petlad, as well as, Borgaon units of the Company who submit their periodical reports to the Board and their advices are adopted and needful is done, if required for better control.

32. UNCLAIMED EQUITY SHARES AND DIVIDEND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 ("the said Act"), the declared dividends which remained unpaid or unclaimed for a period of seven years have been duly transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the said Act.

The Company has uploaded the details of unpaid and unclaimed amounts lying in separate bank accounts named “PBM POLYTEX LIMITED UNPAID DIVIDEND ACCOUNT” upto the financial year 2014-15 on the Company’s website (www.pbmpolytex.com) and also on the Ministry of Corporate Affairs’ website: www.mca.gov.in.

The dividend for the years mentioned below, if remain unclaimed for consecutive seven years, will be transferred by the Company to IEPF:-

Financial Year	Date of Declaration of Dividend	Unclaimed Dividend as on 31.03.2023 (Rs.)
2015-16	24.09.2016	710217.00
2016-17	25.09.2017	757572.00
2017-18	18.09.2018	586782.00
2018-19	30.09.2019	100438.20
2019-20	No dividend declared	0.00
2020-21	30.09.2021	233277.50
2021-22	28.09.2022	459307.00
TOTAL		2847593.70

Pursuant to the provision of Section 124 (6) read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the “IEPF Rules”) as amended, all the shares in respect of which dividend has/have remained unpaid or unclaimed for consecutive seven years, have to be transferred in the name of IEPF Authority.

Accordingly 8219 equity shares against 70 folios corresponding to the dividend for the financial year ended 31st March, 2015 which remained unclaimed for seven consecutive years have been transferred to the IEPF Authority after giving individual notices to the concerned shareholders and advertisement in Newspapers.

In aggregate 265988 equity shares against 1139 folios have been transferred to IEPF Authority against the dividend unpaid/unclaimed upto the Financial Year 2014-15.

The Company has uploaded the details of all shares transferred to the IEPF Authority on the Company’s website (www.pbmpolytex.com) and also on the Ministry of Corporate Affairs’ website: www.mca.gov.in.

The shareholders or their legal successors can claim back the dividend and all equity shares so transferred, from MCA after following the procedure laid down by MCA.

33. SECRETARIAL STANDARDS

All the applicable Secretarial Standards are being followed by the Company.

34. DEPOSITS

The Company has not accepted or continued any public deposits as contemplated under section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

35. ACKNOWLEDGEMENTS

The bankers, and financial institutions have extended their full cooperation, support and valuable assistance to the Company. Your Directors place on record their appreciation for the same.

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

Place: Vadodara
Date: 12.08.2023

GOPAL PATODIA
Managing Director
(DIN: 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN: 08690998)

ANNEXURE “A” TO THE DIRECTORS’ REPORT

Disclosure under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (iii) Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2022-23, the percentage increase in remuneration of each director, Chief Executive Officer and Chief Financial Officer during the financial year 2022-23:

Sl. No.	Name of Director / Key Managerial Personnel	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration during 2022-23(%)
1.	Shri Gopal Patodia	Managing Director	29.02	-17.27
2.	Shri Mohan Kumar Patodia	Managing Director cum CFO	21.50	-15.31
3.	Shri Amit Patodia	Chief Executive Officer	NA	4.48
4.	Ms. Swati Sharda	Company Secretary	NA	7.46

Note:

- a. The Non-Executive Directors of the Company are entitled to sitting fees for meetings attended as per the statutory provisions. The details of remuneration of Non-Executive Directors have been exhibited in the Corporate Governance Report and is governed by the Nomination and Remuneration Policy. The ratio of remuneration and percentage increase for Non-Executive Directors’ Remuneration is therefore, not considered for the above purpose.
 - b. Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination & Remuneration Committee of the Company during the financial year 2022-23.
2. The percentage increase in the median remuneration of Employees for the financial year 2022-23 was 1.18% compared to previous year because of retirement of many old employees from service, recruitment of new employees in their place, reduction in benefits related to attendance which was much less during the year.
 3. The Company has 847 permanent Employees on the rolls of Company as on 31st March, 2023.
 4. It is hereby affirmed that the remuneration paid during the year is as per the Nomination and Remuneration Policy of the Company.

Disclosure under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

- A.) None of the employee was employed throughout the year who was in receipt of remuneration of more than Rs. 102.00 lakhs per annum.
- B.) None of the employee was employed for part of the year who was in receipt of remuneration of more than Rs. 8.50 lakhs per month.
- C.) No employee was in receipt of remuneration in the financial year which, in aggregate, or as the case may be, was at a rate which, in aggregate, is in excess of that drawn by the Managing Director(s) and holds by himself or along with his spouse and dependent children, two percent of the equity shares of the Company.

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

Place: Vadodara
Date: 12.08.2023

ANNEXURE “A(35)” TO THE DIRECTORS’

Form AOC-I

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies:

	Name of Associate	Eurotex Industries and Exports Ltd
1.	Latest audited Balance Sheet Date	31.03.2023
2.	Shares of Associate held by the Company on the year end	
	A. No. of Equity Shares	22,31,980
	Amount of Investment in Associate (Rs. In Lakhs)	545.91
	Extent of Holding (%)	25.5087
	B. No. of 6% Non-Convertible Non-Cumulative Redeemable Preference Shares	46,00,000
	Amount of Investment in Associate (Rs. In Lakhs)	460.00
3.	Description of how there is significant influence	By virtue of more than 20% holding in paid up share capital and thereby the voting rights.
4.	Reason why the Associate is not consolidated	Results of Associate Company are consolidated.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet (Rs. In Lakhs)	NIL
6.	Profit / (Loss) for the year	
	I. Considered in Consolidation (Rs. In Lakhs)	NIL
	ii. Not Considered in Consolidation (Rs. In Lakhs)	NIL

(iv) Names of associates or joint ventures which are yet to commence operations:

Not applicable.

2. Names of associates or joint ventures which have been liquidated or sold during the year:

Not applicable.

NOTE:

AOC – 1 Part A “Subsidiaries” is not applicable as the Company does not have any subsidiary.

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

Place: Vadodara
Date : 12.08.2023

ANNEXURE "A(36)" TO THE DIRECTORS'

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:

(v) Details of contracts or arrangements or transactions not at arm's length basis:

All the transactions with related parties were at arm's length.

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

Details given in "Notes forming part of Accounts". (Note No.40).

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

Place: Vadodara
Date: 12.08.2023

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

ANNEXURE “B” TO THE DIRECTORS’ REPORT

ADDITIONAL INFORMATION AS REQUIRED UNDER SUB-SECTION 3 (M) OF SECTION 134 OF THE ACT AND RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(vi) CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy:

The management is very much cautious for minimizing/eliminating any losses in energy consumption. With such watch the consumption of electricity and its cost is absolutely under control.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

Both the manufacturing units are purchasing power from respective State Electricity Boards. Whenever possible, to reduce the power cost, the company also purchases power from open excess sources.

(iii) The capital investment on energy conservation equipments:

The energy conservation equipments, wherever installed, are replaced at intervals to ensure their run at the best capacity and benefit. The cost of replacement is debited to the account head “Additions to Electrical installations” or any other account head as per the accounting principles.

(B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

The company has its own Quality Assurance Department which is equipped with instruments of latest technology for testing quality of raw material i.e. cotton, finished goods etc.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Since considerable quantity of company’s cotton yarn is exported, the quality of finished product is always kept within the acceptable norms. It is also kept in view that the cost of production does not go beyond the appropriate level.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):-Not Applicable

(iv) Expenditure incurred on Research and Development:

Expenditure on In-House R & D, as and when incurred, is debited to the respective head of expenses in Statement of Profit and Loss.

I Foreign Exchange Earning in terms of actual Inflows and actual Outflows:

(Rs. In Lakhs)

Particulars	2022-23	2021-22
Foreign Exchange outgo in terms of Actual Outflows	160.07	106.14
Foreign Exchange earned in terms of Actual Inflows	5194.82	10749.93

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

GOPAL PATODIA
Managing Director
(DIN: 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN: 08690998)

Place: Vadodara
Date: 12.08.2023

ANNEXURE “C” TO THE DIRECTORS’ REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company’s CSR policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:

The Company has framed a CSR Policy in compliance of the provisions of the Companies Act, 2013, and the same is available on the weblink https://pbmpolytex.com/upload/investor_lodr_reg/2-csr-policy-final-13022023.pdf. The CSR Policy covers the various activities in different fields covered under the Companies Act, 2013.

2. The composition of CSR Committee:

The CSR Committee stands dissolved as decided by the Board of Directors at its meeting held on 13.02.2021. Now the power of decision as regards CSR activities and expenditure vests with the Board of Directors.

3. Weblink where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed. Details about formation of CSR Committee and CSR Policy etc. placed on company’s website www.pbmpolytex.com 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.

The amount spent/paid to the different entities has been utilized fully for the eligible activities.

4. 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 Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	Total amount spent Rs. 0.01 Lakhs for F.Y. 2019-20 and Rs. 13.66 Lakhs for F.Y. 2020-21. Rs. 3.66 Lakhs excess spent which is to be setoff in the year 2021-22.	Rs.3.66 Lakhs
2	2021-22	Total amount spent Rs. 25 Lakhs for the F.Y. 2021-22. Rs. 17.31 Lakhs excess spent which is to be setoff in the year 2022-23.	Rs. 17.31 Lakhs
3	2022-23	Total amount spent Rs. 19.13 Lakhs for the F.Y. 2022-23. Rs. 13.18 Lakhs excess spent which is to be setoff in the year 2023-24.	Rs. 13.18 Lakhs

5. Average net profit of the company as per section 135(5).—

Average Net Profit: Rs. 1162.88 Lakhs (for Three years)

6. (a) Two percent of average net profit of the company as per section 135(5)—

Rs. 23.26 Lakhs

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

Rs. NIL

(c) Amount required to be set off for the financial year,

Rs. 13.18 lakhs for F.Y. 2022-23 in F.Y. 2023-24

7. (a) CSR amount spent for the financial year:

		Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
Total Amount Spent for the Financial Year. (in Rs.)	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
5,00,000			Cancare Trust	5,00,000	28.05.2022
5,00,000			Cancare Trust	5,00,000	16.08.2022
1,50,000			United Way of Baroda	1,50,000	03.09.2022
1,00,000			Baroda Citizens Council, Vadodara	1,00,000	21.09.2022
1,00,000			Shri Maharani Chimanbai Stree Udyogalaya, Vadodara	1,00,000	26.09.202
62,500			Baroda Citizens Council, Vadodara	62,500	09.01.2023
5,00,000			Shram Mandir Trust	5,00,000	19.01.2023
19,12,500/-					

(b) Details of CSR amount spent against ongoing projects for the financial year: Rs. 19,12,500/-

I Details of CSR amount spent against other than ongoing projects for the financial year: NIL

(d) Amount spent in Administrative Overheads: NIL

I Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)—

Total amount spent during the F.Y. 2022-23 is Rs. 19,12,500/-

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	2325762
2	Total amount spent for the Financial Year	3643484
3	Excess amount spent for the financial year [(ii)-(i)]	1317722
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	1317722

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

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

9. 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 (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). NA

(b) Amount of CSR spent for creation or acquisition of capital asset. NA

10. 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 PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

Place: Vadodara
Date: 12.08.2023

ANNEXURE “D” TO THE DIRECTORS’ REPORT

Secretarial Audit Report

For the Financial Year ended March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
PBM Polytex Limited
Opp. Railway Station,
Petlad – 388 450,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PBM Polytex Limited** (“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, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2023 (“review 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 review period, according to the provisions of:

- i. The Companies Act, 2013 (“Act”) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 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 (“SEBI”) Act, 1992: -
 - a. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
 - b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.

- d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
 - e. SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
 - h. SEBI (Depositories and Participants) Regulations, 2018;
 - i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
- vi. Other sector specific laws as follows:
- (a) The Essential Commodities Act, 1955;
 - (b) Ordinances issued by the Textile Commissioner (Textile Control Order).

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

- (vii) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (viii) Listing Agreements entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that;

- A. 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 review period were carried out in compliance with the provisions of the Act;
- B. Adequate notice is given to all the Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the Agenda items before the meeting and for meaningful participation at the meeting.
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;

E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company's affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN: F003677E000407905

Place: Vadodara | Date: May 29, 2023

This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.

Appendix A

The Members,
PBM Polytex Limited
Opp. Railway Station,
Petlad – 388 450,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representation about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. 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 Company's affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN: F003677E000407905

Place: Vadodara | Date: May 29, 2023

ANNEXURE “E” TO THE DIRECTORS’ REPORT

CORPORATE GOVERNANCE

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices which ensures that the Company meets its obligations and fulfils its responsibilities towards shareholders, employees, government and others. The Company is committed on adopting the best possible practices.

The Company’s philosophy of corporate governance aims at the best possible in every sphere of operations consistent with good ethical standards.

2. BOARD OF DIRECTORS

(ix) Composition of the Board

As per requirements of section 149 of the Companies Act, 2013 (“the Act”) and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), atleast 50% of the Board Members should be Independent. There is optimum combination of Executive, Non – Executive and Independent Directors including Woman Director and the Company fulfills the criteria. The Chairman of the Company is Non-Executive Promoter Director. The Composition of the Board is given hereunder:

Name of Directors	Designation	No. of Shares held as on 31 st March 2023	Category	As on 31 st March, 2023		
				No. of Directorship in other Companies	#Committee(s) Position in other Companies	
					Member	Chairperson
Shri Krishan Kumar Patodia	Chairman	141028	Promoter – Non Executive Director	7	1	0
Shri Gopal Patodia	Managing Director	27369	Promoter – Executive Director	5	0	0
Shri Hari Prasad Siotia	Director	199280	Promoter – Non Executive Director	4	2	1
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer	67998	Promoter – Executive Director	4	0	0
Shri Jugalkishore Todi (ceased to be Director w.e.f. 20.04.2023)	Director	0	Independent Director	0	0	0
Smt. Vinita Devi Modi (ceased to be Director w.e.f. 14.07.2022)	Director	0	Independent Director (Women Director)	0	0	0
Shri Ashok Pandit	Director	0	Independent Director	0	0	0
Shri Rakesh Todi	Director	13227	Independent Director	0	0	0
Shri Chirayush Patel	Director	0	Independent Director	0	0	0
Ms. Amishal Modi (appointed w.e.f. 12.08.2022)	Director	0	Independent Director (Women Director)	0	0	0

Only Committee position of Audit Committee and Stakeholders’ Relationship Committee have been considered.

B. Four Board meetings were held during the year on the dates mentioned below:

Dates on which Board Meetings were held	Total strength of Board	No. of Directors Present
27.05.2022	9	7
12.08.2022	8	8
11.11.2022	9	5
13.02.2023	9	3

C. Attendance of each Director present at the Board Meetings and Last Annual General Meeting (“AGM”):-

Name of the Directors	Attendance at Board Meetings held on				
	27.05.2022	12.08.2022	11.11.2022	13.02.2023	Attendance at AGM held on 28.09.2022
Shri Krishan Kumar Patodia	Leave of Absence	✓	Leave of Absence	Leave of Absence	Leave of Absence
Shri Gopal Patodia	✓	✓	✓	✓	✓
Shri Hari Prasad Siotia	Leave of Absence	✓	Leave of Absence	Leave of Absence	✓
Shri Mohan Kumar Patodia	✓	✓	Leave of Absence	Leave of Absence	✓
Shri Jugalkishore Todi (ceased w.e.f. 20.04.2023)	✓	✓	Leave of Absence	Leave of Absence	Leave of Absence
Smt. Vinita Devi Modi (ceased w.e.f. 14.07.2022)	✓	✓	N.A.	N.A.	N.A.
Shri Ashok Pandit	✓	✓	✓	✓	✓
Shri Rakesh Todi	✓	✓	✓	Leave of Absence	✓
Shri Chirayush Patel	✓	✓	✓	✓	✓
Ms. Amishal Modi (appointed w.e.f 12.08.2022)	N.A.	N.A.	✓	Leave of Absence	✓

D. Directorship in other Listed Companies:-

Name of Directors	Name of Listed Companies	Category of Directorship
Shri Krishan Kumar Patodia	M/s. Eurotex Industries and Exports Ltd.	Chairman and Managing Director
Shri Gopal Patodia	--	--
Shri Hari Prasad Siotia	M/s. Eurotex Industries and Exports Ltd.	Non-Executive Director
Shri Mohan Kumar Patodia	--	--
Shri Jugalkishore Todi (ceased w.e.f 20.04.2023)	--	--
Smt. Vinita Devi Modi (ceased w.e.f 14.07.2022)	--	--
Shri Ashok Pandit	--	--
Shri Rakesh Todi	--	--
Shri Chirayush Patel	--	--
Ms. Amishal Modi (appointed w.e.f 12.08.2022)	--	--

(x) Key Board qualifications, expertise and attributes:

**SKILLS/ EXPERTISE/
COMPETENCE OF THE
BOARD OF DIRECTORS**

Leadership -The capacity to set and achieve challenging goals, take fast and decisive action when needed, outperform the competition, and inspire others to perform at their highest possible level. The Chairman Shri Krishan Kumar Patodia and Managing Directors Shri Gopal Patodia and Shri Mohan Kumar Patodia have vast experience in running of textile industry. They lead the whole administration and Senior personnel of the company at every point and on every problem. Shri Gopal Patodia, and Shri Mohan Kumar Patodia, (Managing Directors) and Audit Committee Chairman, Shri Ashok Pandit and other directors are well versed in techniques and requirements of Corporate Governance.

Governance - The collection of mechanisms, processes and relations by which Corporate is governed. Corporate Governance is the combination of rules, processes and laws by which businesses are operated, regulated or controlled. Shri Gopal Patodia, and Shri Mohan Kumar Patodia, (Managing Directors) and Audit Committee Chairman, Shri Ashok Pandit and other directors are fully acquainted with requirements of Corporate Governance.

Technology – The combination of techniques, skills, methods and processes used in the production of goods or services or in the accomplishment of objectives. The chairman Shri Krishan Kumar Patodia is textile gold medalist and Managing Director Sri Gopal Patodia is Chemical Engineer (First Division). Both of them are highly experienced in textile technology.

Corporate Finance - Managing sources and deployment of funds to enable the best returns both for the long and short term so as to increase the value of the Corporate to the stakeholders. Shri Gopal Patodia and Shri Mohan Kumar Patodia Managing Directors of the company are having vast knowledge and experience of managing finance and they monitor it on day to day basis.

International business - Encompasses all commercial activities that take place to promote the transfer of goods, services, resources, people, ideas and technologies across national boundaries. Shri Krishan Kumar Patodia, Chairman and Shri Gopal Patodia and Shri Mohan Kumar patodia, Managing Directors are all in the business of yarn sales since very long time. The company and these three directors are having much knowledge and experience in export market. The company is exporting considerable quantity of its product since the year 1984. The chairman is also managing 100% export oriented unit namely Eurotex Industries and Exports Ltd. They are always in touch with foreign buyers.

Sales and marketing - Generating revenue from the operations of the Corporate. The role of Marketing is to create market awareness, preference and demand for the Products of the Corporate. Sales is responsible for converting that demand into actual sales. Other than the Chairman and the Managing Directors the other Independent Directors, Shri Rakesh Todi and Shri Chirayush Patel are experts in marketing and have rich knowledge of managing business.

Disclosure of relationships between Directors inter-se

Shri Krishan Kumar Patodia, Shri Gopal Patodia and Shri Mohan Kumar Patodia are related to each other. No other director is relative of any other director(s).

Confirmation on the independence of the Independent Directors

The Board of Directors hereby confirm that in their opinion, the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

(xi) Detailed reasons for the resignation of an Independent Director who resigned before the expiry of his/her tenure along with a confirmation that there are no material reasons other than those provided.

Mr. Jugalkishore Todi, Independent Director submitted his resignation vide letter dated 20.04.2023, from the office of the Director with reasons that he has some other commitments and priority, and he could not spare time to contribute and is unable to continue as director and therefore he has tendered resignation as an Independent Director of the Company w.e.f. 20.04.2023. He was appointed as an Independent Director on the Board of Directors of the Company w.e.f. 2nd August, 2014 for the period of five consecutive years i.e. upto 1st August, 2019 and was re-appointed as an Independent Director on 2nd August, 2019 for the second term of five consecutive years i.e. upto 1st August, 2024.

Mr. Jugalkishore Todi in his letter has also confirmed that there are no other material reasons for his resignation other than those mentioned in the resignation letter and necessary disclosures have also been made in this regard to the Stock Exchange.

The Board of Directors have appreciated the valuable contributions made by him during tenure as Independent Director of the company.

COMMITTEES OF THE BOARD

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted various mandatory committees viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The term of reference of these Committees are determined by the Board and their relevance is reviewed from time to time.

3. AUDIT COMMITTEE

(xii) Terms of Reference

The Audit Committee acts as a link between the Statutory Auditors, Internal Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Act and Listing Regulations.

(xiii) Composition

The Audit Committee (as mentioned below) consists of five Non-Executive Directors, out of which four (4) are Independent Directors. All the members of Audit Committee are financially literate and majority of them are specialized in accounting and financial management. The constitution of Audit Committee meets with the requirements prescribed under Section 177 of the Act and Listing Regulations.

Name of Committee Members	Category
Shri Ashok Pandit	Chairman, Independent Director
Shri Hari Prasad Siotia	Member, Non-Executive Director
Shri Jugalkishore Todi	Member, Independent Director
Shri Rakesh Todi	Member, Independent Director
Shri Chirayush Patel	Member, Independent Director
Ms. Amishal Modi	Member, Independent Director

- ❖ Shri Jugalkishore Todi ceased to be the member of the Committee w.e.f. 20.04.2023, due to his resignation.
- ❖ Ms. Amishal Modi became member of the Committee w.e.f. 29.05.2023.

The Chairman of Audit Committee was present at the last Annual General Meeting to answer the shareholders' queries through video conference.

Ms. Swati Sharda acts as the Secretary of the Committee.

(iii) Meetings

During the year, the Audit Committee has met six times. Attendance of each Committee member at the meetings were as follows:

Name of Committee Members	Category	Attendance at the Audit Committee Meetings held on			
		27.05.2022	12.08.2022	11.11.2022	13.02.2023
Shri Ashok Pandit	Chairman, Independent Director`	✓	✓	✓	✓
Shri Hari Prasad Siotia	Member, Non – Executive Director	Leave of Absence	✓	Leave of Absence	Leave of Absence

Shri JugalkishoreTodi	Member, Independent Director	✓	✓	Leave of Absence	Leave of Absence
Shri RakeshTodi	Member, Independent Director	✓	✓	✓	Leave of Absence
Shri Chirayush Patel	Member, Independent Director	✓	✓	✓	✓

The Internal Auditors and Statutory Auditors are permanent invitees at the meetings. The terms of reference of Audit Committee are in accordance with the section 177 of the Act and Listing Regulations.

The Company has system and procedures in place to ensure that the Audit Committee mandatorily review:

- Management discussion and analysis of financial condition and results of operations;
- All Related Party Transactions submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditor;
- Internal Audit Reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.
- Statement of deviation, if applicable

4. NOMINATION AND REMUNERATION COMMITTEE AND REMUNERATION OF MANAGERIAL PERSONNEL AND SENIOR EXECUTIVES

(i) Terms of reference

Remuneration of employees largely consists of basic remuneration and perquisites. The components of total remuneration vary for different cadres and are governed by industry pattern, qualifications and experience of the employee (concerned), responsibilities handled, individual performance etc. The objectives of the Nomination and Remuneration Policy are to motivate employees to excel in their performance, recognize their contribution, and retain talent in the organization and reward merit.

The Nomination and Remuneration Committee shall act in accordance with the terms of reference which inter alia, include:

- a) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- b) To carry out evaluation of every Director's performance;
- c) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- d) To formulate the criteria for evaluation of Independent Directors and the Board of Directors;
- e) To devise a policy on Board diversity;
- f) To recommend/review remuneration of the Managing Director(s), Whole-time Directors and other senior management personnel based on their performance and defined assessment criteria;
- g) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- h) For every appointment of an independent director, to evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates;

- i) #To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- j) To perform such other functions as may be necessary or appropriate for the performance of its duties.

#The terms of reference at point no. (i) are effective from January 1, 2022.

(ii) Composition

The Nomination and Remuneration Committee consists of five Non-Executive Directors as mentioned below.

Name of Committee Members	Category
Shri Ashok Pandit	Chairman, Independent Director
Shri Hari Prasad Siotia	Member, Non-Executive Director
Shri JugalkishoreTodi	Member, Independent Director
Shri Rakesh Todi	Member, Independent Director
Shri Chirayush Patel	Member, Independent Director
Ms. Amishal Modi	Member, Independent Director

- ❖ Shri Jugalkishore Todi ceased to be the member of the Committee w.e.f. 20.04.2023, due to his resignation.
- ❖ Ms. Amishal Modi became member of the Committee w.e.f. 29.05.2023.

Ms. Swati Sharda acts as the Secretary of the Committee.

The appointments and remuneration of all the Managerial Personnel and top executives are decided on the recommendation of the Committee.

(iii) Meetings

During the year, the Nomination and Remuneration Committee has met two times. Attendance of each Committee member at the meetings were as follows:

Name of Committee Members	Category	Attendance at the Nomination and Remuneration Committee Meetings held on	
		27.05.2022	12.08.2022
Shri Ashok Pandit	Chairman, Independent Director	✓	✓
Shri Hari Prasad Siotia	Member, Non – Executive Director	Leave of Absence	✓
Shri Jugalkishore Todi	Member, Independent Director	✓	✓
Shri Rakesh Todi	Member, Independent Director	✓	✓
Shri Chirayush Patel	Member, Independent Director	✓	✓

The Chairman of Nomination and Remuneration Committee was present at the last Annual General Meeting to answer the shareholders' queries through video conference.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS & SENIOR EXECUTIVES AND THEIR REMUNERATION

The remuneration of Managing Directors is decided as per the applicable Schedule and Sections of the Act, as amended from time to time on recommendation of the Nomination and Remuneration Committee and approved by the Board of Directors subject to the approval of shareholders and other authority(ies), if required.

The remuneration of Senior Executives is also decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee and also subject to the sanction of shareholders, if any. Senior Executive holds Place of Profit.

The selection and appointment of the Whole Time Directors, other directors and Top Executives is done on the basis of their experience, qualifications and knowledge of the concerned field.

Performance evaluation criteria for Independent Directors:

All the Independent Directors of the Company have efficiently played their roles and discharged their responsibilities for the benefit of the Company as a whole. Based on formal and informal appraisals, all the Independent Directors have played vital role in ensuring good corporate governance efficiency.

DETAILS OF REMUNERATION PAID / PAYABLE TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS

Remuneration of Whole Time / Executive Directors

Remuneration paid/accrued to the Executive Directors for the financial year ended March 31, 2023 is as follows

(Amount in Rs.)

Name of Managing Director	Salary	Perquisites	Commission	Incentives	Other	Total
Shri Gopal Patodia	3900000	1532434	--	390000	1105000	6927434
Shri Mohan Kumar Patodia	2280000	1977942	--	228000	646000	5131942
TOTAL	6180000	3510376	--	618000	1751000	12059376

Two Managing Directors namely Shri Gopal Patodia and Shri Mohan Kumar Patodia have been reappointed as such for the period of three year from 01.04.2021 to 31.03.2024 by the shareholders at the Annual General Meeting of the company held on 30.09.2020 on recommendations of Nomination & Remuneration Committee on approval of the Board of Directors.

Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors are paid sitting fees only for attending the meetings of the Board of Directors and Committees thereof within the limits prescribed under the Act and Articles of Association of the company. No criteria of making payment to Non-Executive Directors is required to be fixed as they are paid only sitting fees. Details of remuneration paid to Non-Executive Directors during financial year 2022-23 are as follows:

Name of Directors	Sitting Fees (Rs.)
Shri Krishan Kumar Patodia	15000
Shri Hari Prasad Siotia	45000
Shri Ashok Pandit	150000
Shri Jugalkishore Todi (ceased w.e.f 20.04.2023)	90000
Smt. Vinita Devi Modi (ceased w.e.f 14.07.2022)	15000
Shri Rakesh Todi	120000
Shri Chirayush Patel	150000
Ms. Amishal Modi (appointed w.e.f 12.08.2022)	30000

The company has not done any transaction with any of the above Non-Executive Directors except reimbursement of actual travelling expenses incurred for attending Board Meeting(s)/Committee Meeting(s) and/or Annual General Meeting during the year ended March 31, 2023.

The Company does not have any Stock Option Scheme. Both the Managing Directors have agreements with the Company for the period of three consecutive years which are renewed after every three years on their reappointment.

Both the Managing Directors shall be paid Incentive upto 10% of the Salary as may be decided by Board from time to time. Further there is no separate provision for notice period or payment of severance fees to the Managing Directors.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

(A) Terms of reference

Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of the listing Regulations and Section 178 of the Act.

- 1) To consider and resolve the grievances of security holders.
- 2) To consider and approve issue of share certificates, transfer, transmission of securities etc.

(B). The Stakeholders Relationship Committee (“Committee”) consists of the following Directors:

Name of Committee Members	Category
Shri Ashok Pandit	Chairman, Independent Director
Shri Krishan Kumar Patodia	Member, Non-Executive Director
Shri Hari Prasad Siotia	Member, Non – Executive Director
Shri Gopal Patodia	Member, Executive Director
Shri Rakesh Todi	Member, Independent Director
Shri Chirayush Patel	Member, Independent Director

This Committee also looks into the grievances lodged by the Shareholders. No complaints have been received from shareholders during the year 2022-23.

The Chairperson of the Committee, Shri Ashok Pandit was present at the last Annual General Meeting to answer the shareholders’ queries through video conference.

The meetings of the Committee were held on 27.05.2022, 12.08.2022, 11.11.2022 and 13.02.2023

Ms. Swati Sharda, Company Secretary is the Compliance Officer of the Company.

©. The Company has appointed **M/s. Link Intime India Private Limited.**, having its Vadodara Office at B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020, Gujarat, India and registered office at C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India as **Registrar and Share Transfer Agent.**

6. CORPORATE SOCIAL RESPONSIBILITY (“CSR”) COMMITTEE

The CSR committee of the Board Members was constituted as per the requirements of Section 135 of the Act. However since the expenditure obligations of the company were always much below the limit of Rs. 50 lakhs p.a., the Board of Directors at its meeting held on 13.02.2021 dissolved the CSR committee as permitted under MCA Notification dated 22.01.2021. Accordingly the decision as regards CSR expenditure now vests with the board members.

7. GENERAL BODY MEETINGS

Details about location, dates and details of the Special Resolutions passed at the previous three AGMs are as under:

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2019-20	101 st AGM through video conferencing (VC)/Other Audio Visual Means (OAVM)	Wednesday,30.09.2020 at 11:00 A. M	Re-appointment of Shri Gopal Patodia as Managing Director of the Company for a period of 3 years from 1 st April, 2021. Re-appointment of Shri Mohan Kumar Patodia as Managing Director of the Company for a period of 3 years from 1 st April, 2021.
2020-21	102 nd AGM through video conferencing (VC)/Other Audio Visual Means (OAVM)	Thursday, 30.09.2021 at 11:00 A. M	To provide inter corporate loan in one or more tranches to Eurotex Industries and Exports Limited.
2021-22	103 rd AGM through video conferencing (VC)/Other Audio Visual Means (OAVM)	Wednesday, 28.09.2022 at 11:00 A.M.	To approve revision in remuneration payable to Shri Amit Patodia, Senior President cum Chief Executive Officer. To reappoint Shri Ashok Pandit (DIN: 08132980) as an Independent Director of the Company for the second term of 5 consecutive years. To appoint Ms. Amishal Modi (DIN: 09661312) as an Independent Director of the Company to hold office for a term of 5 consecutive years. To approve the revision through increase in the remuneration payable to Shri Gopal Patodia (DIN: 00014247) as Managing Director of the company. To approve the revision through increase in the terms of remuneration payable to Shri Mohan Kumar Patodia (DIN: 00035381) as a Managing director of the company.

Whether any special resolution was passed through Postal Ballot last year – **No**

Whether any Special Resolution is proposed to be conducted through Postal Ballot this year – **No**

8. INDEPENDENT DIRECTORS' MEETING

During the year under review, all the Independent Directors of the Company met One time i.e. on 27.05.2022, to discuss and evaluate :-

- a.) the performance of Non-Independent Directors and the Board as a whole;
- b.) the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- c.) the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- d.) To take note of applicable provisions of The Act, and rules made thereunder and to do needful in the matter.

Based on the disclosures received from all the independent directors and also in the opinion of the Board, the independent directors have fulfilled the conditions specified in the Act, SEBI Listing Regulations and are independent of the management.

The details of the Familiarization Programme imparted to Independent Directors is available on Company's Website, at https://pbmpolytex.com/upload/investor_lodr_reg/details-of-familiarization-programme-converted.pdf

9. RELATED PARTY TRANSACTIONS

The Policy on Related Party Transactions is available on Company's Website, web-link of which is https://pbmpolytex.com/upload/investor_lodr_reg/8-policy-of-related-party-transactions-final-13022023.pdf

10. DISCLOSURES

A. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interests of the company at large:

There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company at large.

However, the Company has taken on rent- Offices, Godowns (for storing material) and Residential Premises (for employees) in and outside Gujarat which belong to Related Parties namely Sambhu Inv. Pvt. Ltd., M/s Muraril Mahendrakumar, Eurotex Industries & Exports Ltd., Patodia Syntex Limited, M/s Dharamchand Kesardeo, M/s Brijlal Purushottamdas and M/s B L Patodia Family Trust, to whom rent is paid at reasonable rates and sale and purchase transactions have also been made with Eurotex Industries & Exports Ltd. which all are on Arm's Length Basis.

Further, the Company has given on rent a small room for office use in Premises of Registered Office of the company to Shashank Investments Pvt. Ltd., Chandramauli Investments Pvt. Ltd., Veepee Intrades Pvt. Ltd. and Suragini Investments Pvt. Ltd., from whom rent is received at reasonable rates which are on Arm's Length Basis.

B. Details of non-compliances by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years:

The Company has complied with all the requirements of Listing Agreement entered into with BSE, as well as, the Listing regulations and guidelines of SEBI. There were no strictures or penalties imposed either by SEBI or BSE or any Statutory Authority for non – compliance of any matter (s) related to the capital markets during the last three years.

C. Whistle Blower Policy / Vigil Mechanism:

A Vigil Mechanism provides adequate safeguards against victimization of persons who use such mechanism for reporting genuine concerns. It also makes provision for direct access to the Chairman of the Audit Committee. Web link for Whistle Blower Policy / Vigil Mechanism is https://pbmpolytex.com/upload/investor_lodr_reg/10-whistle-blower-or-vigil-mechanism-policy-final-13022023.pdf. As per the Policy, no person has been denied access to the Chairman of Audit Committee.

D. Policy for determining material subsidiaries:

The Company does not have any Subsidiary Company. Therefore, requirement of devising such policy does not apply to the Company.

E. Certificates from Company Secretary in Practice:

The following certificates as issued by Shri S. Samdani, Partner of M/s. Samdani Shah & Kabra, a firm of Practicing Company Secretaries, Vadodara are enclosed to this Report:

- (a) Compliance Certificate regarding compliance of conditions of Corporate Governance; and
 (b) Certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority.

F. Details of utilization of funds raised through preferential allotment/qualified institutions placement as specified under Reg. 32(7A) of the Listing Regulations:

The Company has, during the year, not raised any funds through preferential allotment or qualified institutions placement as specified under the Listing Regulations.

G. Fees paid to Statutory Auditors:

The Company has, during the year, paid an amount of Rs. 4,00,000/- (Rupees Four Lakhs only) excluding GST to its Statutory Auditors M/s. Mahendra N. Shah & Co., Chartered Accountants as approved by the shareholders.

H. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the Financial Year 2022-23	NIL
Number of complaints disposed off during the Financial Year 2022-23	NIL
Number of complaints pending as at the end of the Financial Year 2022-23	NIL

I. Disclosure of compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Regulations:

Regulation No.	Particulars	Compliance Status (Yes or No)
17	Board of Directors	YES
17A	Maximum number of Directorship	YES
18	Audit Committee	YES
19	Nomination and Remuneration Committee	YES
20	Stakeholders Relationship Committee	YES
21	Risk Management Committee	N. A.
22	Vigil Mechanism	YES
23	Related Party Transactions	YES
24	Corporate Governance requirements with respect to subsidiary of the Company	N. A.
24A	Secretarial Audit and Secretarial Compliance Report	YES
25	Obligations with respect to Independent Directors	YES
26	Obligations with respect to employees including senior management, key managerial persons, directors and Promoters	YES
27	Other Corporate Governance Requirements	YES
46(2) (b) to (i)	Website	YES

J. Compliance with the Listing Regulations

The Company has adopted and complied with mandatory requirements of the Listing Regulations. Some of the following non-mandatory requirements have also been complied with.

NON-MANDATORY REQUIREMENTS:

(i) Reporting of Internal Auditor

Internal Auditors of the Company submit their reports directly to the Audit Committee regularly.

(ii) Audit Qualification / Modified Opinion(s)

There is no Audit Qualification / Modified Opinion(s) in the Audit Reports by the Auditor.

(iii) Disclosure of Accounting Treatment:

In the preparation of the financial statements, the Company has followed the applicable Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India. The significant accounting policies, which are constantly applied, are set out in the Annexure to Notes on Accounts.

(iv) Shareholder Rights:

Since the financial results are published in the newspapers and also posted on the Company's website, those are not being sent to the shareholders.

(v) Risk Management:

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise of Risk Assessment and Management was carried out covering the entire gamut of business operations and the Board was informed of the same.

K. Instances of not accepting any recommendation of the Committee by the Board:

There was no such instance where Board had not accepted any recommendation of any committee of the Board, whether mandatorily required or not, in the relevant financial year.

L. Details of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The Company has granted loan of Rs. Three Crores to Eurotex Industries & Exports Limited (Associate Company).

M. The Company is not required to formulate Dividend Distribution Policy as per Reg. 43A of the Listing Regulations.

N. MEANS OF COMMUNICATION

The Company generally publishes quarterly, half yearly, nine months and Annual Standalone and Consolidated Financial Results in one English daily newspaper and one daily newspaper of regional language namely "The Financial express", in accordance with the requirements of the Regulation 47 of the Listing Regulations.

All periodical compliance like Announcements, Financial Results, Shareholding Pattern, Corporate Governance Report, Book Closure Dates, etc. are electronically filed with BSE Limited through BSE.LISTING CENTRE. All material information about the Company including financial results is promptly uploaded on website of the Company www.pbmpolytex.com also as may be required from time to time.

O. GENERAL SHAREHOLDER INFORMATION:

104th Annual General Meeting will be held at **11:00 A. M.** on 25th September, 2023, through **Video Conference**.

1. Financial Year from 01.04.2022 to 31.03.2023.

2. Date of Book Closure: From **17.09.2023 to 25.09.2023 (both days inclusive)**

3. Listing of Shares:

The Company's shares are listed on the following Stock Exchange. The Company confirms that the annual listing fees to BSE Limited for the financial year 2023-24 has been paid.

Name of Stock Exchange	Scrip Code / Stock Exchange Code	ISIN No.
BSE Limited Floor 25, P. J. Towers, Dalal Street, Mumbai – 400001	514087	INE501F01018

4. Stock Market Data for FY 2022-23 (BSE) :

Month	Month's Highest Price (Rs.)	Month's Lowest Price (Rs.)
April 2022	168.00	133.00
May 2022	158.00	118.20
June 2022	135.00	105.05
July 2022	136.90	107.00
August 2022	163.00	120.00
September 2022	149.00	120.60
October 2022	144.70	118.00
November 2022	107.90	122.15
December 2022	124.80	106.00
January 2023	129.50	103.00
February 2023	106.00	93.50
March 2023	104.35	87.10

5. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.

Particulars	31.03.2023 (Rs.)	31.03.2022 (Rs.)	Change (%)
Share price of PBM	97.25	134.95	-27.93
BSE Sensex	58273.86	58885.49	0.99

6. Commodity price risk or foreign exchange risk and hedging activities

During the year, the Company has managed the Foreign Exchange risks and hedged its exposure against exports as it deemed appropriate. The Management monitors Yarn prices which are volatile and steps are taken to minimize the risks. The Company does not have material exposure for any commodity and accordingly, no hedging activities for the same is carried out. Therefore, there is no disclosure to offer in terms of circular of SEBI dated November 15, 2018.

7. Demat Suspense account/ Unclaimed Suspense Account

No unclaimed share certificates are with the Company.

8. Registrars & Share Transfer Agent:

(Share Transmission, Duplicate issue, Consolidation, Name Deletion etc., Demat, communications regarding Share Certificates, Dividends and Change of address):-

Mr. Alpesh Gandhi

M/s Link Intime India Pvt. Ltd., (Unit:- PBM Polytex Limited)

B-102 & 103, Shangrila Complex, Off. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara – 390020; Tel Nos. 0265-2356573, 2356794; Fax No. 0265-2356791;

E-mail: alpesh.gandhi@linkintime.co.in / vadodara@linkintime.co.in

9. Share Transfer System:

Share transfers are processed and Share Certificates are duly endorsed, and are delivered within a period of 15 days from the date of receipt, subject to documents being valid and complete in all respect. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories concerned within 15 days from the date of receipt, subject to documents being valid and complete in all respects.

Effective from April 1, 2019, as per SEBI notification no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 as amended from time to time, no shares can now be transferred in physical form except transmission of shares to the legal successors.

10. Distribution of shareholding as at 31.03.2023:

No. of Equity Shares held	No. of Shareholders	No. of Shares Held	% of Issued Capital
1 – 500	4280	512155	7.45
501 – 1000	243	186593	2.71
1001 – 2000	118	168875	2.45
2001 – 3000	32	82307	1.20
3001 – 4000	13	45657	0.66
4001 – 5000	8	36371	0.53
5001 – 10000	19	135675	1.97
More than 10000	51	5711387	83.03
TOTAL	4764	6879020	100.00

11. Dematerialization of shares:

About 96.96 % of Company's paid up equity share capital has been dematerialized up to 31st March, 2023. The shareholders wishing to demat the shares may approach Depository Participant(s).

12. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity: Not Applicable.**13. Plant Location:****(A) Yarn Manufacturing Plants of the Company are situated at -**

- | | |
|---|---|
| (i) Opp. Railway Station,
Petlad – 388450,
Dist. Anand, Gujarat | (ii) Plot No.16 to 19, Sector B,
AKVN Industrial Area, Borgaon,
Kheritaigaon,
Dist. Chhindwara (M. P.) |
|---|---|

(B) Four Windmills are located in Gujarat at -

- | | |
|---|--|
| (i) Vill: Suthari,
Revenue Survey No. 870/P,
Taluka Abdasa,
Dist. Kutch (Guj.) | (ii) Vill: Okha Madhi,
Survey No. 24 Part,
Taluka Dwarka,
District Jamnagar (Guj.) |
| (iii) Vill: Methan,
Survey No. 284,
Taluka Jamjodhpur,
Dist. Jamnagar (Guj.) | (iv) Vill: Methan,
Survey No. 284/3/Paiki,
Taluka Jamjodhpur,
Dist. Jamnagar (Guj.) |

14. Address for correspondence

Attn: Company Secretary
PBM Polytex Limited,
Corporate Office: 8th Floor, Ramakrishna Chambers, Productivity Road,
Alkapuri, Baroda – 390007, Gujarat
Telephone: (0265) 2333587, 2320053; Fax No. (0265) 2338979,
E-Mail pbmcs@patodiagroup.com

15. Details of Credit Ratings assigned

Your Company has been assigned the following ratings by CARE Ratings Limited:

Name of Credit Rating Agency	Facilities	Existing Ratings	Revised Ratings
CARE Ratings Limited	Long-term Bank Facilities	CARE BBB+; Outlook : Stable	CARE BBB+; Outlook : Stable (Reaffirmed)
	Short-term Bank Facilities	CARE A2; (A Two)	CARE A2; (A Two) (Reaffirmed)

Members are requested to quote their Folio No. / DP ID-Client ID, Email ID, Telephone Number and full address while having any communication with the Company / Registrars & Share Transfer Agent.

Members are also requested to register their email ID with the Registrar & Share Transfer Agent and also to give their bank account particulars for direct remittance of dividend to their account, if declared (i.e. Name of Bank, account No. with the Bank, Bank IFC Code No., a cancelled cheque leaf).

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

Place: Vadodara
Date: 12.08.2023

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(ANNEXURE TO DIRECTORS' REPORT)

INDUSTRIAL STRUCTURE AND DEVELOPMENTS:

The company was established in the year 1919 and it started manufacturing activity in the year 1922 at Petlad (Gujarat). On different reasons the company almost became a sick unit. The present management took it over in the year 1978 and gradually modernized the manufacturing unit in installments. Continuous upgradation of the unit improved its financial situation. By internal earnings and public issue, right issue, ploughing the working capital by private placement of debentures right from the year 1980 to 1998, the company became a continuous dividend paying company. Its shares were listed with the Bombay Stock Exchange in the year 1986. Dividend was paid to the shareholders continuously since 1986 except for 2-3 years. The company had also given bonus shares at two times. The company setup another yarn manufacturing unit at Borgaon Dist Chhindwara (MP) in the year 1990. Four windmills of the capacity of 1600 KWA (in aggregate) were also set up in Jamnagar, Kutch, Gujarat in the years 2006 and 2007.

Textile Industry is the oldest and highest employment providing industry in India, globally. India is one of the countries having largest textile manufacturing capacity. The important factors which influences the Company's operations are demand and supply conditions, availability of raw material at reasonable rate (cotton), the export market condition, availability of workers of required skills, Government regulations, tax laws, economic developments etc. Ours being mainly a cotton yarn spinning unit has to face all the difficulties which the textile industry is facing in the country.

In the last about 10-15 years many yarn spinning units have been established increasing the production, supply of cotton yarn in the country. Since the new units are eligible for many government benefits and concessions under different policies of the government and since the new units (with new technology) are less labour oriented our company cannot stand in competition with them because their production cost is much lower than that of ours. The company's both the units are established in mofussil area and, therefore, the cost of transportation of raw material and finished goods are also higher. The cost control at different level, wherever possible, and changes according to the times has made the company to survive even under adverse conditions.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS:

The Company's main raw material is Cotton which is an agricultural crop. Its quality and available quantity in the country at reasonable rate depends on timely rains and government policies. Every year minimum support price of cotton is increased by the government, making cotton prices to go up, whether the whole increase in cotton prices can be passed on is always a question mark. Besides which, also 11% import duty on cotton has been imposed, causing imbalance in cotton prices between local and international price, which at times impacts cotton yarn exports.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

The Company's main product is Cotton yarn. Due to fall in export of cotton yarn from India, price realization of yarn has been poor, affecting the Company's profitability. The Company has four Wind Mills, which has been performing average, due to ageing of the machines.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control Systems and procedures in the Company are commensurate with nature and size of its business. Looking to the different amendments in applicable laws and regulations and much more requirements and disclosures, the management desires to increase the scope of internal audit.

It is to be noted that not only the assets of the Company are safeguarded and protected against any losses, but also all the transactions are properly accounted and that they meet the test of legal compliances.

Apart from regular review and monitoring Internal Control Systems by the Company's Internal Control Department, two independent Chartered Accountants firms have been appointed to conduct the internal audit for the Company's two manufacturing units. This provides reasonable assurance to the effectiveness of the internal control systems and procedures and reliability of financial reporting.

OUTLOOK:

In the immediate future the outlook for cotton yarn appears bleak, because Indian Cotton prices are generally on higher side to international cotton prices. However, with advent of new cotton season, starting late October, things may change for the better.

FINANCIAL AND OPERATIVE PERFORMANCE:

During the year 2022-23, the yarn and cotton market remained highly volatile. Yarn exports from India has taken dip by almost 30 to 40% causing pressure on margins of yarn.

DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

In both the Units of the Company, peaceful and amicable relations with the workers were there. However, there continues to be shortage of skilled workers at Petlad Unit. Also absenteeism remain very high in Petlad Unit causing loss of production in Petlad Unit.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS ALONGWITH DETAILED EXPLANATIONS THEREOF:

The following key financial ratios has witnessed a significant change i.e. a change of 25% or more as compared to the financial year 2021-22 and 2022-23 :-

Sr. No.	Key Financial Ratios	FY 2022-23	FY 2021-22	Change in % as compared to previous year	Reason
1.	Current Ratio	6.15 times	3.87 Times	58.99%	Because of better liquidity, current ratio improved.
2.	Net Profit Margin (%)	0.15%	9.21%	-98.38%	Due to high cost of raw material and poor export market.
3.	Return on Net Worth (%)	0.85%	23.82%	-96.43%	Due to high cost of raw material and poor export market.
4.	Debtors Turnover Ratio	12.55 times	20.82 Times	-39.72%	Better cash management.
5.	Inventory Turnover Ratio	3.56 times	3.66 Times	-2.81%	No major Variation.
6.	Interest Coverage	18.18 times	61.26 Times	-70.32%	Less profit because of high cotton prices.
7.	Operating Profit Margin	2.14%	13.90%	-84.62%	Less profit because of high cotton prices.
8.	Debt Equity Ratio	0.004	0.005	-2.35%	No major Variation.

FINANCIAL PERFORMANCE OF CURRENT AND PREVIOUS TWO YEARS BASED ON DIFFERENT INDICATORS**(Rs. In Lakhs)**

Year	2020-21	2021-22	2022-23
Capital	688	688	688
Free Reserves	7043	10243	10443
Effective Capital	10557	12793	12640
Exports	4863	11092	5332
Total Sales & other Income	15634	25826	20529
Profit Before Depreciation & Tax	786	3416	403
Dividend Per Share (Rs.)	1.50 Per Share	4 per share	NIL

CAUTIONARY STATEMENT

Any changes in applicable laws, regulations and Government policies and the present epidemic leading to reduction / stoppage of production are beyond the control and anticipations of the management and may adversely affect the profitability of the Company.

For PBM POLYTEX LIMITED

For PBM POLYTEX LIMITED

Place: Vadodara
Date: 12.08.2023

GOPAL PATODIA
Managing Director
(DIN : 00014247)

CHIRAYUSH PATEL
Independent Director
(DIN : 08690998)

Compliance with Code of Business Conduct and Ethics

Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, hereby, confirm that the Company has received affirmations on compliance with the Company's Code of Business Conduct and Ethics for the financial year ended 31st March, 2023 from all the Board members and Senior Management Personnel.

For PBM Polytex Limited

Place : Vadodara
Date : 29.05.2023

(Amit Patodia)
Chief Executive Officer

CEO / CFO CERTIFICATION

We, the undersigned, in our respective capacities as Sr. President cum Chief Executive Officer and as Managing Director cum Chief Financial Officer of PBM Polytex Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a. We have reviewed the Financial Statements and Cash Flow Statement for the financial year ended 31st March, 2023 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations;
- b. We further state that to the best of our knowledge and belief, no transactions which are entered into by the Company during the year, are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. 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 and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of the internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee that there are :
 - i. no significant changes in internal controls over financial reporting during the year;
 - ii. no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

For PBM Polytex Limited

For PBM Polytex Limited

Place : Vadodara (Amit Patodia)
Date : 29.05.2023 Sr. President cum Chief Executive Officer

(Mohan Kumar Patodia)
Managing Director cum Chief Financial Officer

Corporate Governance Compliance Certificate

For the Financial Year ended March 31, 2023

[Pursuant to Schedule V – Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
PBM Polytex Limited

We have examined the compliance of the conditions of Corporate Governance by PBM Polytex Limited (“Company”) for the Financial Year ended March 31, 2023 (“review period”), as per the relevant provisions of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We state that in respect of investor grievances received during the review period, no such grievance is pending against the Company, as per the records maintained by the Company.

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.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021

ICSI UDIN: F003677E000408092

Place: Vadodara | Date: May 29, 2023

Certificate of Non-Disqualification of Directors
 [Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10 (i)
 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**The Members,
 PBM Polytex Limited**

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of PBM Polytex Limited (“Company”), having CIN: L17110GJ1919PLC000495, situated at Opposite Railway Station, Petlad – 388 450, Gujarat, India, as 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 Clause 10(i) of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, 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, 2023, have been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Original Date of Appointment
1.	Mr. Gopal Patodia	00014247	01-10-2010
2.	Mr. Hari Prasad Siotia	00015103	09-08-1980
3.	Mr. Krishan Kumar Patodia	00027335	12-06-1979
4.	Mr. Mohan Kumar Patodia	00035381	01-04-2012
5.	Mr. Jugalkishore Maneklal Todi	00598697	31-08-2006
6.	Ms. Vinitadevi Surendrakumar Modi*	06965473	20-09-2014
7.	Mr. Ashok Anandpriya Pandit	08132980	19-05-2018
8.	Mr. Rakesh Laxmanprasad Todi	08476512	13-08-2019
9.	Mr. Chirayush Indrajitbhai Patel	08690998	14-02-2020
10.	Ms. Amishal Surendrakumar Modi	09661312	12-08-2022

* Ms. Vinitadevi Surendrakumar Modi has resigned effective July 14, 2022 (close of business hours of the Company).

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

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review #: 1079/2021 | ICSI UDIN: F003677E000408081

Place: Vadodara | Date: May 29, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of
PBM Polytex Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **PBM Polytex Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2023, and the statement of Profit and Loss (including the statement of other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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, 2023, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<u>Measurement of provisions for employee emoluments and benefits</u> The company has made provisions for employee benefits and revision of wages. The estimates made by the management regarding the existence of an obligation as well as the forecast of future cash outflows in connection with these obligations	<u>Principal Audit Procedures</u> We examined the processes and controls set up to prevent or detect and correct errors relating to the complete recognition and measurements of provisions involving the use of judgement. External actuaries were engaged to determine the amounts of provisions of gratuity and leave

<p>directly impact the recognition and measurement of provisions. The management also make use of their judgements for provisions concerning the legal disputes under negotiations.</p>	<p>encashment. We examined the data made available to actuaries for completeness and accuracy. We reviewed the assumptions including the discount rate, expected return on plan assets, escalation rate, etc.</p> <p>In respect of provision for wage revision, we conducted a critical review of internal analysis notes for the likelihood and potential impact, examining the available documents.</p>
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Information other than Financial Statements & Auditors Report thereon.

The Company’s Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board’s Report including Annexures to Board’s Report and Management Discussion & Analysis, but does not include the standalone financial statements and our auditor’s report thereon. The other information is expected to be made available to us after the date of this auditor’s report.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 ‘The Auditor’s Responsibilities Relating to Other Information’.

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

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements:-

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

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

- Identify and assess the risks of material misstatement of the standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 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 Matter

The standalone financial statements of the Company for the year ended March 31, 2022 were audited by the predecessor auditors, who have expressed an unmodified opinion on those financial statements vide their audit report dated May 27, 2022.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from the examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including statement of other comprehensive income and the Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
 - (f) With respect to the adequacy of internal financial controls with reference to standalone financial statements of the Company 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/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013;
 - (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) Rule, 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 the financial position of its financial statements – Refer Note No. 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the

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

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

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

- v. (a) 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.
(b) The Company has not declared and paid any interim dividend during the year and until the date of this report.
(c) The Board of Directors of the Company have not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

- 2. 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 B**” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For, Mahendra N. Shah & Co.
Chartered Accountants
FRN 105775W

Place: Ahmedabad
Date: May 29, 2023
UDIN: 23045706BGUVRV2330

Chirag M. Shah
Partner
Membership No. 045706

**“Annexure A” to the Independent Auditors’ Report
(Referred to in paragraph 1(f) under “Report on Other Legal and Regulatory Requirements” section of
our report to the members of PBM Polytex Limited of even date)**

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

We have audited the internal financial controls with reference to standalone financial statements of PBM Polytex Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as on March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

**For, Mahendra N. Shah & Co.
Chartered Accountants
FRN 105775W**

**Place: Ahmedabad
Date: May 29, 2023
UDIN: 23045706BGUVRV2330**

**Chirag M. Shah
Partner
Membership No. 045706**

“Annexure B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under “Report on Other Legal & Regulatory Requirements” section of our report of even date to the financial statements of the Company for the year ended March 31, 2023)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that :-

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in Note No. 2 on “Property, Plant and Equipment” to the financial statements are in the name of the company.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The quarterly returns/statements filed by the Company are not in agreement with the books of accounts. Refer Note 50 of the financial statements for the same.
- iii. The Company has not made investments in, provided any guarantee or security to companies, firms, Limited Liability Partnerships and other parties during the year. The Company has granted loans or advances in the nature of loans, secured or unsecured, to companies and any other parties during the year, in respect of which:
 - (a) The Company has granted loans or advances in the nature of loans during the year and details of which are given below:

(Rs. In Lakhs)

Particulars	Aggregate Amount during the year (Rs. In Lakhs)*	Balance outstanding at the balance sheet date (Rs. In Lakhs)
- Subsidiaries	Nil	Nil
- Joint Ventures	Nil	Nil
- Associates	327.75	327.75**
- Others	37.24	18.48

* including opening balance as on 1/4/2022

** including interest accrued amounting to Rs. 27.75 Lakhs

The Company has not given guarantee or provided security to any other entity during the year.

- (b) The grant of all the above-mentioned loans and advances in the nature of loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of interest-free loans or advances in the nature of loans provided by the Company to its employees, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation in such cases except for the following:

(Rs. In Lakhs)

Name of the employee	Nature	Amount	Due Date	Extent of Delay
Jitendra Sharma	Staff Loan	0.55	March-2023	1 Month
Devraj Saini	Staff Loan	0.62	September-2022	7 Months
Sanjay Jadhav	Staff Loan	0.26	Apr-2020	36 Months
Sanjay Khetan	Staff Loan	0.36	Jan-2021	27 Months
Mohd. Rafiq Khan	Staff Loan	0.28	November-2022	5 Months
Paresh Patel	Staff Loan	0.19	October-2022	6 Months

In respect of loan to associate company, schedule of repayment of principal amount has not been stipulated and is repayable on demand. However, terms for payment of interest has been stipulated and the same is not paid on due date :-

(Rs. In Lakhs)

Name of the Company	Nature	Amount	Due Date	Extent of Delay
Eurotex Industries and Exports Limited	Interest on Inter-corporate Loan	18.90	October-2022	6 Months

- (d) In respect of following loans granted and advances in the nature of loans provided by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the management has taken reasonable steps for recovery :

(Rs. In Lakhs)

Nos. of cases	Principal amount overdue	Interest overdue	Total overdue
6	1.71	18.90	20.61

- (e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:

Particulars	All Parties- Including Related Party* (Rs. In Lakhs)	Promoters* (Rs. In Lakhs)	Related Parties* (Rs. In Lakhs)
Aggregate amount of loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment	303.30	Nil	300.00
Percentage of loans to the total loans	83.09%	Nil	82.19%

* including opening balance as on 1/4/2022

- iv. In our opinion and according to the information and explanations given to us, the company has complied with provisions of Section 185 and 186 of the Act in respect of investments made and loans granted, to the extent applicable to the Company. The company has not given guarantee or provided security as provided in section 185 and 186 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government has prescribed maintenance of Cost Records under section 148(1) of the Companies Act, 2013 in respect of manufacturing activities of the company. We have broadly reviewed the accounts and the records of the company in this connection and are of opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,
- (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2023 on account of any dispute, except the following :

Name of statute	Nature of Dues	Amount (in Lakhs)	Period to which amount relates	Forum where the dispute is pending
M P Commercial Tax	Entry Tax	2.16	2015-16	Commissioner (Appeals)

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
(b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or joint venture.
(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary, associate or joint venture.
- x. (a) According to the information and explanations given by the management, The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports issued to the company during the year and covering the period up to 31st March, 2023.

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3(xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3(xvi)(d) of the order are not applicable to the company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors of the Company during the year and there were no issues, objections or concerns raised by the outgoing auditors in their resignation letter.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For, Mahendra N. Shah & Co.
Chartered Accountants
FRN 105775W

Place: Ahmedabad
Date: May 29, 2023
UDIN: 23045706BGUVRV2330

Chirag M. Shah
Partner
Membership No. 045706

PBM POLYTEX LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars		Notes	As At 31/03/2023	As At 31/03/2022
I	ASSETS			
1)	Non-current Assets			
	(a) Property, Plant and Equipment	2	5,183.53	4,971.95
	(b) Capital work-in-progress	3	2.57	77.18
	(c) Right of Use Assets	35.4	24.24	33.74
	(d) Intangible assets	4	8.21	9.12
	(e) Financial Assets			
	(i) Investments	5	451.11	444.64
	(ii) Other Financial Assets	6	86.61	89.84
	(f) Other non-current assets	7	189.74	146.06
	Total Non-current Assets		5,946.02	5,772.53
2)	Current Assets			
	(a) Inventories	8	3,659.24	7,340.64
	(b) Financial Assets			
	(i) Trade receivables	9	1,779.86	1,402.55
	(ii) Cash and cash equivalents	10	2,284.90	543.14
	(iii) Bank balances other than (ii) above	11	54.71	57.69
	(iv) Loans	12	318.48	315.24
	(v) Other Financial Assets	13	27.91	10.31
	(c) Current tax assets (Net)	14	37.23	14.64
	(d) Other current assets	15	614.38	650.78
	Total Current Assets		8,776.71	10,334.99
	TOTAL ASSETS		14,722.73	16,107.52
II	EQUITY AND LIABILITIES			
1)	Equity			
	(a) Equity Share Capital	16	687.90	687.90
	(b) Other Equity	17	11,952.01	12,105.47
	Total Equity		12,639.91	12,793.37
2)	Liabilities			
	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Lease Liabilities	35.1	22.56	26.57
	(ii) Other financial liabilities	18	1.01	1.03
	(b) Provisions	19	71.26	86.85
	(c) Deferred tax liabilities (Net)	20	560.52	527.16
	Total Non-current Liabilities		655.36	641.61

PBM POLYTEX LIMITED
STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars		Notes	As At 31/03/2023	As At 31/03/2022
Current Liabilities				
(a)	Financial Liabilities			
	(i) Borrowings	21	36.47	30.48
	(ii) Lease Liabilities	35.1	4.01	8.30
	(iii) Trade payables			
	- Total outstanding dues of micro & small enterprises	22	6.85	135.59
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		356.32	1,239.64
	(iv) Other financial liabilities	23	317.81	306.75
(b)	Other current liabilities	24	514.72	746.31
(c)	Provisions	25	191.29	205.48
	Total Current Liabilities		1,427.47	2,672.53
	TOTAL EQUITY AND LIABILITIES		14,722.73	16,107.52
	Notes forming part of the financial statements	1 - 52		

For and behalf of the Board of Directors of
PBM Polytex Limited

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara
Date: 29th May, 2023

As per our attached Report of even Date

For, Mahendra N. Shah & Co.

Chartered Accountants

FRN : 105775W

CA Chirag M. Shah

Partner

M. No. 045706

Place: Ahmedabad
Date: 29th May, 2023

PBM POLYTEX LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars		Notes	2022-23	2021-22
I	INCOME			
	Revenue from operations	26	20,220.84	25,537.55
	Other income	27	308.52	288.30
	Total Income		20,529.36	25,825.86
II	EXPENSES			
	Cost of materials consumed	28	14,481.95	14,910.09
	Purchase of stock in trade		-	339.02
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	29	(601.36)	32.73
	Employee benefits expense	30	2,315.10	2,424.32
	Finance costs	31	57.00	91.78
	Depreciation and amortization expense	32	346.83	328.54
	Other expenses	33	3,873.75	4,611.58
	Total Expenses		20,473.27	22,738.07
III	Profit before exceptional items and tax		56.09	3,087.78
IV	Exceptional Items		-	-
V	Profit before tax		56.09	3,087.78
VI	Tax Expenses			
	Current Tax		36.86	835.95
	Deferred Tax Provision / (Reversal)		2.44	(26.15)
	Excess Provision of Income Tax of Earlier Years		(12.93)	(21.58)
	Total Tax Expenses		26.36	788.22
VII	Profit for the year		29.73	2,299.56
VIII	Other Comprehensive Income			
	Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plans		122.90	53.57
	Income tax relating to above items		(30.93)	(13.48)
	Total Other comprehensive income for the year		91.97	40.09
IX	Total Comprehensive Income for the year		121.70	2,339.65
X	Earning per Equity Share of face value of Rs. 10 each			
	Basic	34	0.43	33.43
	Diluted	34	0.43	33.43
	Notes forming part of the financial statements	1 - 52		

For and behalf of the Board of Directors of
PBM Polytex Limited

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara

Date: 29th May, 2023

As per our attached Report of even Date

For, Mahendra N. Shah & Co.

Chartered Accountants

FRN : 105775W

CA Chirag M. Shah

Partner

M. No. 045706

Place: Vadodara

Date: 29th May, 2023

PBM POLYTEX LIMITED
STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before taxation	56.09	3,087.78
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation /Amortization	346.83	328.54
Interest Income	(41.10)	(58.27)
Interest and Other Borrowing Cost	57.00	91.78
(Profit) / Loss on Sale of Tangible assets	(47.19)	7.81
(Profit) / Loss on Sale of Investment	(147.84)	(64.04)
Excess provision/sundry balances written back	(67.63)	(14.03)
Effect of fair valuation of investments	5.36	(140.61)
Other Comprehensive Income for gratuity	122.90	53.57
Operating Profit before Working Capital Changes	284.41	3,292.55
Working Capital Changes:		
Changes in Inventories	3,681.40	(1,233.43)
Changes in trade and other receivables	(384.61)	(1,065.46)
Changes in trade and other payables	(1,185.76)	300.46
Net Changes in Working Capital	2,111.03	(1,998.44)
Cash Generated from Operations	2,395.44	1,294.11
Direct Taxes paid (Net of Income Tax refund)	(46.51)	(867.03)
Net Cash flow from Operating Activities	2,348.92	427.08
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment/intangible assets	(516.94)	(701.34)
Sale of property, plant & equipment	90.74	85.83
Proceeds from Sale/Redemption of Investment (Net)	136.02	53.09
Movement in Other Bank Balances	2.99	63.58
Interest Income	23.50	48.07
Net Cash flow used in Investing Activities	(263.70)	(450.77)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(284.16)	(106.41)
Proceeds from/(Repayments) of Short Term Borrowings	5.99	9.94
Interest and Other Borrowing Cost Paid	(57.00)	(91.78)
Payment of Lease Liability	(8.29)	(10.55)
Net Cash flow used in Financing Activities	(343.46)	(198.80)
Net Increase/(Decrease) in cash & cash equivalents	1,741.76	(222.49)
Cash & Cash equivalent at the beginning of the year	543.14	765.63
Cash & Cash equivalent at the end of the year	2,284.90	543.14

For and behalf of the Board of Directors of
PBM Polytex Limited

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara

Date: 29th May, 2023

As per our attached Report of even Date

For, Mahendra N. Shah & Co.

Chartered Accountants

FRN : 105775W

CA Chirag M. Shah

Partner

M. No. 045706

Place: Ahmedabad

Date: 29th May, 2023

PBM POLYTEX LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

a. Equity Share capital

PARTICULARS	Rs. In Lakhs
As at April 1, 2021	687.96
Changes due to prior period errors	(0.06)
Restated Balance as April 1, 2022	687.90
Changes during the year 2021 - 2022	-
As at March 31, 2022	687.90
Changes due to prior period errors	-
Restated Balance as April 1, 2022	687.90
Changes during the year 2022 - 2023	-
As at March 31, 2023	687.90

b. Other Equity

Particulars	Reserves and Surplus				Total
	Share Capital Forfeiture	Capital Redemption Reserve	General Reserve	Retained Earnings	
Balance at 1st April, 2021	0.17	125.00	7,042.62	2,701.16	9,868.95
Transfer to General Reserve	0.06	-	3,200.00	(3,200.00)	0.06
Profit for the year	-	-	-	2,299.56	2,299.56
Other Comprehensive Income for the year (Including tax thereon)	-	-	-	40.09	40.09
Dividend (Refer Note 16.7)	-	-	-	(103.19)	(103.19)
Balance at 31st March, 2022	0.23	125.00	10,242.62	1,737.62	12,105.47
Balance at 1st April, 2022	0.23	125.00	10,242.62	1,737.62	12,105.47
Transfer to General Reserve	-	-	200.00	(200.00)	-
Profit for the year	-	-	-	29.73	29.73
Other Comprehensive Income for the year (Including tax thereon)	-	-	-	91.97	91.97
Dividend (Refer Note 16.7)	-	-	-	(275.16)	(275.16)
Balance at 31st March, 2023	0.23	125.00	10,442.62	1,384.16	11,952.01

Gain of Rs. 91.97 Lakhs and Rs. 40.09 Lakhs on remeasurement of defined employee benefit plan (net of tax) is recognized as a part of retained earnings for the year ended March 31, 2023 and 2022 respectively.

**For and behalf of the Board of Directors of
PBM Polytex Limited**

**As per our attached Report of even Date
For, Mahendra N. Shah & Co.**
Chartered Accountants
FRN : 105775W

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara
Date: 29th May, 2023

Place: Ahmedabad
Date: 29th May, 2023

CA Chirag M. Shah
Partner
M. No. 045706

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

1A – CORPORATE INFORMATION

PBM Polytex Limited is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. The company is listed on the BSE limited (BSE). The registered office of the Company is located at Opp. Railway Station, Petlad – 388450, District - Anand, Gujarat, India.

The company is engaged in manufacture and processing of yarn. The Company has its wide market in local as well foreign market. The Company sells its products through established network.

The financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2023.

1B - SIGNIFICANT ACCOUNTING POLICIES

(1) Basis of Preparation:

Compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time).

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Functional currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

(2) Key accounting estimates & judgements:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(3) Property, Plant & Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

All expenditure incurred towards property, plant and equipment including expenditure incurred during construction / new projects are accumulated and shown as capital work in progress and not depreciated until such assets are ready for commercial use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets as follows :-

Class of Assets	Estimated useful life
Buildings	5-60 years
Plant & Equipment	15-25 years
Electrical Installations	10 years
Furniture & Fixtures	10 years
Office Equipment	3-6 years
Vehicles	8-10 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Leasehold land is amortized over the period of lease.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(4) Intangible Assets

Computer software is stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Company amortizes computer software using the straight-line method over the period of 5 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(5) Inventories:

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material, etc. are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost is computed on a weighted average basis. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

(6) Financial Instruments

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

De-recognition

Financial assets

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(7) Revenue recognition

Revenue is measured at the value of the consideration received or receivable, after deduction of any trade discount, volume rebates and any taxes or duties collected on behalf of Government such as Goods and Services Tax, etc.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Other revenue:

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

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

Dividends are generally recognised in the Statement of Profit and Loss only when the right to receive is established.

(8) Foreign Currency Transactions:

Foreign currency transactions are translated into the functional currency using exchange rate at the date of the transaction. Foreign exchange gains and losses from the settlement of these transactions are recognized in the statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rates in effect at the balance sheet date, the gain or loss arising on such translations are recognized in the statement of profit and loss.

(9) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (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 presented as Deferred Tax Asset.

(10) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

(11) Employee benefits **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred. The Company contributes to Superannuation Trust for the Managerial Personnel of the Company as per the rules of the Trust.

(12) Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(13) Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(14) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

(15) Leases :

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

As a Lessee

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The Company recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost 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 incentive received.

The ROU 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 ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements 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, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

As a Lessor

The company, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(16) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(17) Cash Flow Statements

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company.

(18) Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Dividends declared by the Company after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

(19) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

(20) Recent Pronouncement

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1, 2023. The Rules predominantly amends Ind AS 1 – "Presentation of financial statements" and Ind AS 12 – "Income taxes", whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management's assessment, these amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

2. Property, plant and equipment

(Rs. In Lakhs)

Particular	Leasehold Land	*Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross Value										
Balance as at 31st March, 2021	25.36	137.25	2,206.26	11,650.03	525.41	205.54	365.03	73.36	58.28	15,246.52
Additions	-	-	64.74	467.29	8.41	6.75	62.06	11.38	4.10	624.72
Deduction & Adjustment	-	-	-	483.54	0.79	37.25	27.55	23.77	20.39	593.29
Balance as at 31st March, 2022	25.36	137.25	2,270.99	11,633.78	533.03	175.03	399.54	60.98	41.99	15,277.95
Additions	-	-	-	564.52	4.24	6.05	1.26	7.64	7.84	591.55
Deduction & Adjustment	-	-	-	449.53	-	3.47	12.48	6.41	4.47	476.37
Balance as at 31st March, 2023	25.36	137.25	2,270.99	11,748.76	537.28	177.61	388.32	62.20	45.35	15,393.13
Accumulated Depreciation										
Balance as at 31st March, 2021	0.36	-	1,131.44	8,337.03	486.39	166.42	259.29	57.64	49.85	10,488.43
Depreciaton for the year	0.36	-	42.19	230.27	2.76	7.64	20.03	5.35	8.62	317.22
Deduction & Adjustment	-	-	-	398.01	0.75	32.99	25.95	22.58	19.37	499.64
Balance as at 31st March, 2022	0.72	-	1,173.62	8,169.30	488.41	141.07	253.37	40.40	39.10	10,306.00
Depreciaton for the year	0.36	-	43.99	250.36	2.42	6.72	18.25	6.61	7.72	336.43
Deduction & Adjustment	-	-	-	407.49	-	3.14	11.86	6.09	4.25	432.83
Balance as at 31st March, 2023	1.08	-	1,217.61	8,012.17	490.83	144.66	259.76	40.92	42.57	10,209.60
Net carrying amount										
Balance as at 31st March, 2022	24.64	137.25	1,097.37	3,464.48	44.63	33.96	146.17	20.57	2.89	4,971.95
Balance as at 31st March, 2023	24.28	137.25	1,053.38	3,736.59	46.45	32.95	128.56	21.28	2.79	5,183.53

* Includes 100 Shares of Rs.10/- each (fully paid up) of The Friends Co-operative Housing Society Limited, Baroda.

2.1 All the title deeds for the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

2.2 The Company has not done revaluation of PPE / Intangible assets.

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

3 Capital Work in Progress

Particulars	31.03.2023	31.03.2022
Project in Progress	2.57	77.18
Total	2.57	77.18

3.1 Details of Capital work in progress Ageing

Ageing of Capital work-in-progress as at 31/03/2023 is as follows

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in Progress	2.57	-	-	-	2.57

Ageing of Capital work-in-progress as at 31/03/2022 is as follows

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in Progress	77.18	-	-	-	77.18

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR
ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

4. Intangible Assets

Particular	Computer Software
Gross Value	
Balance as at 31st March, 2021	28.35
Additions	-
Deduction & Adjustment	-
Balance as at 31st March, 2022	28.35
Additions	-
Deduction & Adjustment	-
Balance as at 31st March, 2023	28.35
Amortization	
Balance as at 31st March, 2021	18.18
Deduction & Adjustment	-
Amortization for the year	1.06
Balance as at 31st March, 2022	19.24
Deduction & Adjustment	-
Amortization for the year	0.90
Balance as at 31st March, 2023	20.14
Net carrying amount	
Balance as at 31st March, 2022	9.12
Balance as at 31st March, 2023	8.21

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

5. Investments (Non-Current)

PARTICULARS	As at 31/03/2023		As at 31/03/2022	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Investments measured at Fair Value Through Profit & Loss				
In Equity Shares of Associate Companies				
Quoted, Fully Paid Up				
M/s Eurotex Industries and Exports Limited (of Rs. 10 each)	2,231,980	291.50	2,231,980	296.85
Total of Investments measured at Fair Value Through Profit & Loss		291.50		296.85
Investments measured at Amortized Cost				
In Preference Shares of Associate Companies				
Unquoted, Fully Paid Up				
6% Non- Cumulative Non- convertible Redeemable Preference Shares of Rs. 10/- each of M/s Eurotex Industries and Exports Limited	4,600,000	159.61	4,600,000	147.79
Total of Investments measured at Amortized Cost		159.61		147.79
Total Non Current Investments		451.11		444.64
Aggregate amount of quoted Investments		291.50		296.85
Market Value of quoted Investments		291.50		296.85
Aggregage amount of unquoted Investments		159.61		147.79

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

6. Other Financial Assets (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Security Deposits		
- Deposits with Related Parties	2.00	2.00
- Deposits with Others	84.53	87.76
Fixed Deposits with Banks*	0.08	0.08
Total	86.61	89.84

*given as security deposit to sales tax authorities

7. Other Non Current Assets

Particulars	As at 31/03/2023	As at 31/03/2022
Capital Advances	189.03	145.34
Others	0.71	0.71
Total	189.74	146.06

8. Inventories

Particulars	As at 31/03/2023	As at 31/03/2022
Raw materials (including Goods in Transit of Rs. Nil, PY Rs.14.78 Lakhs)	1,668.97	5,941.61
Stores, Spares & Fuel (including Goods in Transit of Rs. 8.36 Lakhs, PY Rs. 14.04 Lakhs)	150.77	160.88
Finished goods	1,413.72	885.00
Stock in Process	331.34	334.10
Cotton Waste	94.44	19.04
Total	3,659.24	7,340.64

9. Trade Receivables (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Considered good - Unsecured	1,779.86	1,402.55
Total	1,779.86	1,402.55

(Refer Note No. 47 for ageing of trade receivables)

10. Cash and Cash Equivalents

Particulars	As at 31/03/2023	As at 31/03/2022
Balances with banks		
- In current accounts	2,271.86	114.34
- In deposit accounts (with original maturity of less than 3 months)	-	415.00
Cash on hand	13.04	13.80
Total	2,284.90	543.14

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

11. Bank balances other than mentioned in cash and cash equivalents

Particulars	As at 31/03/2023	As at 31/03/2022
Unclaimed Dividend	28.48	37.47
Fixed Deposits with Banks*	26.23	20.22
Total	54.71	57.69

* includes bank FD under lien for margin money amounting to Rs. 26.23 Lakh (PY Rs. 19.72 Lakh)

12. Loans (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Considered good - Unsecured		
Loans & Advances to Employees	18.48	15.24
Considered good - Secured		
Loans to Related Parties		
-Inter Corporate Deposit with Associate Company	300.00	300.00
Total	318.48	315.24

13. Other financial assets (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Interest receivable	27.91	10.31
Total	27.91	10.31

14. Current tax asset (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Advance tax (net off provision of income tax)	37.23	14.64
Total	37.23	14.64

15. Other Current Assets

Particulars	As at 31/03/2023	As at 31/03/2022
Advances to Suppliers & Others	218.11	98.87
Balance with Govt. Agencies	298.81	476.59
Prepaid Expenses	97.46	75.31
Total	614.38	650.78

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

16 Share capital

(Rs. In Lakhs)

Particulars	As at 31/03/2023		As at 31/03/2022	
	Units	Rs.	Units	Rs.
Authorised Share Capital :				
Equity Shares of Rs. 10 each	10,000,000	1,000.00	10,000,000	1,000.00
Issued & Subscribed :				
Equity Shares of Rs. 10 each	6,880,000	688.00	6,880,000	688.00
Subscribed and Fully Paid Up				
Equity Shares of Rs. 10 each	6,879,020	687.90	6,879,020	687.90

16.1 The reconciliation of the no. of shares outstanding is set out below :

Particulars	As at 31/03/2023	As at 31/03/2022
Equity shares		
At Beginning of the period	6,879,020	6,880,000
Add : Issued during the year	-	-
Less : Changes due to prior period errors	-	980
At End of the period	6,879,020	6,879,020

16.2 Details of shareholders holding more than 5% shares

Name of the shareholder	As at 31/03/2023		As at 31/03/2022	
	Units	% of holding	Units	% of holding
M/s Eurotex Industries & Exports Ltd.	358,345	5.21	358,345	5.21
M/s Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33
M/s Patodia Syntex Ltd.	712,957	10.36	712,957	10.36
M/s Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11

16.3 The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.

16.4 In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

16.5 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows

Promoter Name	As at 31/03/2023		As at 31/03/2022		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33	-
Patodia Syntex Ltd	712,957	10.36	712,957	10.36	-
Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11	-
Eurotex Industries and Exports Limited	358,345	5.21	358,345	5.21	-
Rajiv Agencies Private Limited	-	-	222,848	3.24	(3.24)
Manju Patodia	216,744	3.15	216,744	3.15	-
Madhu Patodia	212,594	3.09	212,594	3.09	-
Rani Krishan Kumar Patodia	210,511	3.06	210,511	3.06	-
Hari Prasad Siotia	199,280	2.90	199,280	2.90	-
Anita Patodia	148,194	2.15	148,194	2.15	-
Nandini Narayan Patodia	148,194	2.15	148,194	2.15	-
Krishan Kumar Patodia	141,028	2.05	141,028	2.05	-
Shashank Investments Private Limited	89,512	1.30	89,512	1.30	-
Amit Patodia	78,980	1.15	78,980	1.15	-
Shakuntala Devi Patodia	74,386	1.08	74,386	1.08	-
Siddharth krishan kumar patodia	69,007	1.00	69,007	1.00	-
Narayan Patodia	68,849	1.00	68,849	1.00	-
Mohankumar patodia	67,998	0.99	67,998	0.99	-
Aditi Jussawalla	63,467	0.92	63,467	0.92	-
Priya gopal patodia	56,553	0.82	56,553	0.82	-
Chandramauli Investment Pvt Ltd	56,314	0.82	56,314	0.82	-
Vikash patodia	49,518	0.72	49,518	0.72	-
Kirti patodia	47,173	0.69	47,173	0.69	-
Yashvardhan narayan patodia	47,173	0.69	47,173	0.69	-
Devan Patodia	45,917	0.67	45,917	0.67	-
Gaurav Narayan Patodia	44,995	0.65	44,995	0.65	-
Gopal Patodia	27,369	0.40	27,369	0.40	-
Thrust Investment and Management Consultants Pvt Ltd.	-	-	6,473	0.09	(0.09)
Shailja Patodia	3,125	0.05	3,125	0.05	-
Maharashtra Fibre and Syntex Ltd.	447	0.01	447	0.01	-
Rajiv Agencies LLP	222,848	3.24	-	-	3.24
Thrust Investment and Management Consultants LLP	6473	0.09	-	-	0.09

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Disclosure of shareholding of promoters as at March 31, 2022 is as follows

Promoter Name	As at 31/03/2022		As at 31/03/2021		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33	-
Patodia Syntex Ltd	712,957	10.36	712,957	10.36	-
Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11	-
Eurotex Industries and Exports Limited	358,345	5.21	358,345	5.21	-
Rajiv Agencies Private Limited	222,848	3.24	222,848	3.24	-
Manju Patodia	216,744	3.15	216,744	3.15	-
Madhu Patodia	212,594	3.09	212,594	3.09	-
Rani Krishan Kumar Patodia	210,511	3.06	210,511	3.06	-
Hari Prasad Siotia	199,280	2.90	199,280	2.90	-
Anita Patodia	148,194	2.15	148,194	2.15	-
Nandini Narayan Patodia	148,194	2.15	148,194	2.15	-
Krishan Kumar Patodia	141,028	2.05	141,028	2.05	-
Shashank Investments Private Limited	89,512	1.30	89,512	1.30	-
Amit Patodia	78,980	1.15	78,980	1.15	-
Shakuntala Devi Patodia	74,386	1.08	74,386	1.08	-
Siddharth krishan kumar patodia	69,007	1.00	69,007	1.00	-
Narayan Patodia	68,849	1.00	68,849	1.00	-
Mohankumar patodia	67,998	0.99	67,998	0.99	-
Aditi Jussawalla	63,467	0.92	63,467	0.92	-
Priya gopal patodia	56,553	0.82	56,553	0.82	-
Chandramauli Investment Pvt Ltd	56,314	0.82	56,314	0.82	-
Vikash patodia	49,518	0.72	49,518	0.72	-
Kirti patodia	47,173	0.69	47,173	0.69	-
Yashvardhan narayan patodia	47,173	0.69	47,173	0.69	-
Devan Patodia	45,917	0.67	45,917	0.67	-
Gaurav Narayan Patodia	44,995	0.65	44,995	0.65	-
Gopal Patodia	27,369	0.40	27,369	0.40	-
Thrust Investment and Management Consultants Pvt Ltd.	6,473	0.09	6,473	0.09	-
Shailja Patodia	3,125	0.05	3,125	0.05	-
Maharashtra Fibre and Syntex Ltd.	447	0.01	447	0.01	-

16.6 Details of shares bought back during the period of 5 years immediately preceding the reporting date:

Year	No. of Shares	Buy Back Price per Share (Rs.)
2019-20	1,250,000	80

16.7 Dividend on Equity Share :

Particulars	Year Ended 31/03/2023	Year Ended 31/03/2022
Dividend on equity shares declared and paid during the year		
Final dividend of Rs. 4.00 per share for FY 2021-22 (2020-21: Rs. 1.5 per share)	275.16	103.19
Proposed dividend on equity shares not recognised as liability		
Final dividend of Rs. Nil per share for FY 2022-23 (2021-22: Rs. 4 per share)	-	275.16

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

17. Other Equity

Particulars	As at 31/03/2023	As at 31/03/2022
Share Capital Forfeiture	0.23	0.23
General Reserve		
Balance as per last year	10,242.62	7,042.62
Add: Appropriations From Current year's Profit	200.00	3,200.00
Balance at the end of the Year	10,442.62	10,242.62
Share Capital Redemption Reserve	125.00	125.00
Surplus in Statement of Profit & Loss		
Balance at the beginning of the Year	1,737.62	2,701.16
Add: Total Comprehensive Income for the year	121.70	2,339.65
Amount available for Appropriation (A)	1,859.32	5,040.81
<u>Less: Appropriations</u>		
Dividend	275.16	103.19
Transferred to General Reserves	200.00	3,200.00
Total Appropriation (B)	475.16	3,303.19
Balance at the end of the Year (A - B)	1,384.16	1,737.62
Total	11,952.01	12,105.47

Share Capital Redemption Reserve

Capital Redemption Reserve represents reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve

General Reserve has been created by transfer out of profit generated by the Company and is available for distribution to shareholders. Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Retained Earnings

Retained earnings are the profits that the Company has earned till date including effect of remeasurement of defined benefit obligations less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

18. Other financial liabilities (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Security Deposits (From Debtors, Employees and Contractors)	1.01	1.03
Total	1.01	1.03

19. Provisions (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Provision for employee benefits		
- Leave Encashment (unfunded)	71.26	82.60
- Gratuity	-	4.25
Total	71.26	86.85

20. Deferred Tax Liabilities (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Liability Relating to earlier years	527.16	539.82
Add/(Less): Liability/(Assest) for the year		
- Charged/(Credited) to P & L	2.44	(26.15)
- Charged/(Credited) to OCI	30.93	13.48
TOTAL	560.52	527.16

20.1 Component of Deferred Tax Liabilities (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Depreciation	731.93	732.83
Employee Benefits	(31.78)	(64.41)
Other Timing Differences	(139.63)	(141.26)
TOTAL	560.52	527.16

20.2 Component of Deferred Tax Expense / (Income)

Particulars	As at 31/03/2023	As at 31/03/2022
- Charged/(Credited) to P & L		
Depreciation	(0.89)	(32.56)
Employee Benefits	1.70	(31.73)
Other Timing Differences	1.63	38.15
	2.44	(26.15)
- Charged/(Credited) to OCI		
Employee Benefits	30.93	13.48
	30.93	13.48
TOTAL	33.37	(12.66)

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

21. Borrowings (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Secured		
Working Capital facilities from Banks	36.47	30.48
Total	36.47	30.48

21.1 Details of Security and Interest of working capital facilities from banks

Nature of Security	Terms of Interest
IDBI Bank: Primary Security - First pari passu charge over current assets of the company. Collateral Security - First pari passu charge over fixed assets of the company.	RLRR plus 180 bps p.a.
State Bank of India: Primary Security - First charge on pari passu basis over the hypothecation of entire current assets of the company with IDBI. Collateral Security - First pari passu charge over the entire fixed assets of the company including hypothecation over plant and machinery and mortgage over land and building of the company.	2.00% above EBLR

22. Trade Payables (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Total outstanding dues of micro & small Enterprises (Refer Note No. 48.1)	6.85	135.59
Total outstanding dues of creditors other than micro & small enterprises	356.32	1,239.64
Total	363.17	1,375.23

(Refer Note No. 48.2 For ageing of trade payables)

23. Other Financial Liabilities (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Unpaid dividends	28.48	37.47
Dues to Employees and others	289.33	269.28
Total	317.81	306.75

24. Other Current liabilities

Particulars	As at 31/03/2023	As at 31/03/2022
Credit Balances of Customers	186.49	391.21
Statutory Dues	51.51	42.87
Other Payables	276.72	312.23
Total	514.72	746.31

25. Provisions (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Provision for employee benefits		
- Leave Encashment (unfunded)	35.52	34.46
- Bonus	155.77	171.01
Total	191.29	205.48

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

26. Revenue from Operations

Particulars	2022-23	2021-22
Sale of Products	19,563.04	24,607.10
Sale of Services (Job Work Charges)	401.41	370.88
	19,964.45	24,977.98
Other Operating Revenue		
-Sale of Scrap	18.24	21.64
-Export Incentive Income	238.15	537.93
Total	20,220.84	25,537.55

26.1 Sale of Products

Name of Products	2022-23	2021-22
Yarn sales	18,623.62	23,495.42
Cotton/Yarn Waste Sales	803.73	964.61
Sale of Electricity Units	135.69	147.07
Total	19,563.04	24,607.10

27. Other income

Particulars	2022-23	2021-22
Interest income	41.10	58.27
Net Gain on sale of Investments	147.84	64.04
Insurance claims Received	0.05	11.24
Gain on sale of property, plant and equipments	47.19	-
Foreign Exchange Fluctuation Gain	4.54	-
Effect of fair valuation of investments	-	140.61
Excess Provision/Sundry Balances written back	67.63	14.03
Other Miscellaneous Income	0.16	0.12
Total	308.52	288.30

28. Cost of materials consumed

Particulars	2022-23	2021-22
Opening Stock	5,926.82	4,670.20
Add : Purchases	10,224.10	16,166.71
Sub Total	16,150.92	20,836.91
Less : Closing Stock	1,668.97	5,926.82
Total	14,481.95	14,910.09

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

29. Changes in Inventories of Finished goods, WIP and Waste

Particulars	2022-23	2021-22
Inventories at the beginning of the year		
Finished Goods	885.00	946.77
WIP	334.10	262.02
Waste	19.04	62.09
Sub Total	1,238.14	1,270.88
Less : Inventories at the end of the year		
Finished Goods	1,413.72	885.00
WIP	331.34	334.10
Waste	94.44	19.04
Sub Total	1,839.50	1,238.14
Net Decrease / (Increase) in Inventories	(601.36)	32.73

30. Employee benefit expense

Particulars	2022-23	2021-22
Salaries and wages	2,026.75	2,140.39
Contribution to provident and other funds	196.29	197.27
Staff welfare expenses	92.06	86.66
Total	2,315.10	2,424.32

31. Finance costs

Particulars	2022-23	2021-22
Interest Expenses	5.54	2.53
Other Borrowing Costs	51.46	89.25
Total	57.00	91.78

32. Depreciation and Amortization Expenses

Particulars	2022-23	2021-22
Depreciation on Property, Plant & Equipment	336.43	317.22
Amortization of Intangible Assets	0.90	1.06
Amortization of Right-of-Use Assets	9.50	10.27
Total	346.83	328.54

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

33. Other expenses

Particulars	2022-23	2021-22
Consumption of stores and packing material	365.65	479.02
Power and fuel	2,346.61	2,490.25
Rent Expense	43.88	41.62
<u>Repairs:-</u>		
- Machinery (including spares)	210.01	368.10
- Building	45.47	73.93
- Others	46.02	60.62
Insurance	84.61	66.87
Rates and Taxes	25.86	14.50
Licence Fees, Legal & Professional Charges	74.40	86.66
Sales and Distribution Expenses	278.51	630.52
Travelling and conveyance	194.67	152.23
Directors Sitting Fees	6.15	7.80
Audit Fees and Expenses (Refer Note No. 33.1)	6.71	4.79
Donation	2.96	9.34
Foreign Exchange Fluctuation Loss	42.23	26.26
CSR Expenses (Refer Note No. 38)	19.13	25.00
Loss on sale of Property, Plant & Equipment	-	7.81
Effect of fair valuation of Investments	5.36	-
Other Miscellaneous Expenses	75.52	66.25
Total	3,873.75	4,611.58

33.1 Auditor's Remuneration

Particulars	2022-23	2021-22
As auditor :		
Audit fee	4.00	4.00
Tax Audit fees	1.00	-
Reimbursement of expenses	1.71	0.79
Total	6.71	4.79

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

34. Earning Per Share

Particulars	2022-23	2021-22
Net Profit/(Loss) for the year attributable to Equity Shareholders (Rs. In Lakhs)	29.73	2,299.56
Weighted Average number of Equity Shares outstanding of Face Value of Rs. 10 each. (Nos.)	6,879,020	6,879,020
Number of Equity Shares for Basic EPS (Nos.)	6,879,020	6,879,020
Add : Diluted Potential Equity Shares (Nos.)	-	-
Number of Equity Shares for Diluted EPS (Nos.)	6,879,020	6,879,020
Basic Earning Per Share (Rs.)	0.43	33.43
Diluted Earning Per Share (Rs.)	0.43	33.43
Nominal Value Per Share (Rs.)	10.00	10.00

35. Disclosure under Ind As 116 - Leases

35.1 Lease liabilities included in financial statements

Particulars	As at 31/03/2023	As at 31/03/2022
Current	4.01	8.30
Non-Current	22.56	26.57
Total	26.57	34.86

35.2 Movement in Lease Liability during the year

Particulars	2022-23	2021-22
Balance at the beginning of the year	34.86	21.69
Additions	-	23.74
Finance Cost accrued during the year	3.04	2.08
Payment of Lease Liabilities (including interest)	(11.34)	(12.63)
Balance at the end of the year	26.57	34.86

35.3 Maturity Analysis of Undiscounted cash flow of the lease liability

Particulars	As at 31/03/2023	As at 31/03/2022
Less than one year	6.49	11.33
one to five years	21.12	26.96
More than 5 years	40.97	41.62

35.4 Movement in Right to Use of Assets during the year

Particulars	2022-23	2021-22
Balance at the beginning of the year	33.74	20.27
Addition during the year	-	23.74
Amortisation during the year	(9.50)	(10.27)
Balance at the end of the year	24.24	33.74

35.5 Expense relating to short-term leases are disclosed under the head rent expense in other expenses (Refer Note 33).

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

36. Contingent Liabilities and Commitments

Particulars	As at 31/03/2023	As at 31/03/2022
Contingent Liabilities		
Entry tax demands for different years against which company has preferred appeals before appropriate authorities	2.16	2.16
Disputed VAT matters	-	1.44
Claim by Director of Industries, Gujarat in Gujarat High Court for non-delivery of yarn in the year 1978	1.09	1.09
Commitments		
Estimated amount of contracts remaining unexecuted on capital account and not provided for in Books (net of advances)	220.97	320.95
Other commitments	-	-

37. Segment Information

The company manufactures and deals in single segment, i.e. manufacturing of cotton yarn. Therefore no separate disclosure as per Ind AS 108 - "Operating Segments" is given.

37.1 Geographical Information

Revenue from external customers	2022-23	2021-22
India	14,542.15	14,259.99
Outside India	5,422.30	10,717.99
Total	19,964.45	24,977.98

37.2 There are no non-current assets other than in India.

38. Corporate Social Responsibility

Particulars	2022-23	2021-22
1. Gross amount required to be spent by the Company	23.26	11.35
2. Amount spent during the year		
(i) construction/acquisition of any asset	-	-
(ii) on purposes other than (i) above	19.13	25.00
3. Shortfall at the end of the year	-	-
4. Total of previous years' shortfall	-	-
5. Reasons for shortfall	-	-
6. The nature of CSR activities undertaken by the Company		
- Promoting Healthcare	15.00	25.00
- Promoting Education	1.63	-
- Promotion of Art and Culture	1.50	-
- Women Empowerment	1.00	-
7. CSR transactions with related parties	-	-

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

39. Income Taxes

Particulars	2022-23	2021-22
The major components of income tax expense for the year as under:		
Current tax	36.86	835.95
Deferred tax		
In respect of Accumulated Depreciation	(0.89)	(32.56)
In respect of Investments, employee benefits and other timing differences	34.26	19.90
Total deferred tax	33.37	(12.66)
Adjustment of tax for earlier years	(12.93)	(21.58)
Total tax expenses charged to statement of Profit and Loss (Including OCI)	57.29	801.70

39.1 Reconciliation of Effective Tax Rate

Particulars	2022-23	2021-22
Profit before tax	56.09	3,087.78
Other Comprehensive Income	122.90	53.57
Total	178.99	3,141.35
Tax @ 25.168% - (A)	45.05	790.62
Adjustment for		
Non deductible expenses	5.56	8.64
Adjustment in respect of income tax of previous year	(12.93)	(21.58)
Others	19.61	24.02
Income Tax Expenses recognised in Statement of Profit and Loss (including OCI)	57.29	801.70

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

40. Related Party Disclosures

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:

40.1 Name of the Related Parties and Nature of Relationship:

Associates & Enterprises owned or significantly influenced by key management personnel (with whom the Company entered into transactions during the year)

M/s Patodia Syntex Limited	M/s B.L.Patodia Family Trust
M/s Eurotex Industries and Exports Limited	M/s Murarilal Mahendrakumar
M/s Trikon Investments Private Limited	M/s Brijlal Purushottamdas
M/s Sambhu Investments Private Limited	M/s Dharamchand Keshardeo
M/s Shashank Investment Private Limited	M/s Chandramauli Investment Private Limited
M/s Veepee Intrades Private Limited	M/s Suragini Investment Private Limited
M/s Star Silk Exports Private Limited	M/s Mercury Gem Private Limited

Key Managerial Personnel, Directors and Relatives:

Shri Gopal Patodia	Managing Director
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer
Shri Amit Patodia	Senior President cum Chief Executive Officer
Smt. Swati Sharda	Company Secretary
Shri Kishankumar Patodia	Chairman
Shri Hari Prasad Siotia	Non-Executive Director
Shri Jugal Kishore Todi	Independent Director (upto 20/4/2023)
Smt. Vinita Devi Modi	Independent Director (upto 14/7/2022)
Shri Ashok Pandit	Independent Director
Shri Rakesh Todi	Independent Director
Shri Chirayush Patel	Independent Director
Ms. Amishal Modi	Independent Director (w.e.f. 12/8/2022)

40.2 Transactions with Related Parties :

Transactions	Associates & Enterprises owned or Significantly influenced by KMP		Key Managerial Personnel, Directors & Relatives	
	2022-23	2021-22	2022-23	2021-22
Purchase of Goods (Net of GST)				
- M/s Eurotex Industries and Exports Limited	3.55	17.91	-	-
Purchase of Property, Plant and Equipments (Net of GST)				
- M/s Eurotex Industries and Exports Limited	-	11.76	-	-
Sale of Goods (Net of GST)				
- M/s Eurotex Industries and Exports Limited	-	101.82	-	-
Rent Paid				
- M/s Patodia Syntex Limited	1.20	1.20	-	-
- M/s Trikon Investments Private Limited	-	0.90	-	-
- M/s Sambhu Investments Private Limited	7.80	7.80	-	-
- M/s B.L.Patodia Family Trust	2.88	2.88	-	-
- M/s Murarilal Mahendrakumar	4.50	4.50	-	-
- M/s Brijlal Purushottamdas	1.80	1.80	-	-
- M/s Dharamchand Keshardeo	1.80	1.80	-	-
- M/s Eurotex Industries and Exports Limited	1.80	1.80	-	-
Rent Received				
- M/s Shashank Investment Pvt. Limited	0.03	0.03	-	-
- M/s Veepee Intrades Pvt. Limited	0.03	0.03	-	-
- M/s Chandramauli Investment Pvt. Limited	0.03	0.03	-	-
- M/s Suragini Investment Pvt. Limited	0.03	0.03	-	-
Dividend Paid				
- M/s Sambhu Investments Private Limited	31.17	11.69		
- M/s Patodia Syntex Limited	28.52	10.69		
- M/s Trikon Investments Private Limited	22.31	8.37		
- M/s Eurotex Industries and Exports Limited	14.33	5.38		
- M/s Shashank Investment Private Limited	3.58	1.34		
- M/s Chandramauli Investment Private Limited	2.25	0.84		
- Shri Gopal Patodia	-	-	1.09	0.41
- Shri Amit Patodia	-	-	3.16	1.18
- Shri Mohankumar Patodia	-	-	2.72	1.02

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

Sitting Fees				
Shri Kishankumar Patodia	-	-	0.15	0.15
Shri Hari Prasad Siotia	-	-	0.45	0.30
Shri Jugal Kishore Todi	-	-	0.90	1.20
Smt. Vinita Devi Modi	-	-	0.15	0.45
Shri Ashok Pandit	-	-	1.50	2.10
Shri Rakesh Todi	-	-	1.20	1.50
Shri Chirayush Patel	-	-	1.50	2.10
Ms. Amishal Modi	-	-	0.30	-
Loan Given				
- M/s Eurotex Industries and Exports Limited	-	300.00	-	-
Interest Income				
- M/s Eurotex Industries and Exports Limited	21.00	9.84	-	-
Remuneration to KMP				
- Managing Directors	-	-	120.59	144.33
- Senior President cum Chief Executive Officer	-	-	49.95	47.80
- Company Secretary	-	-	3.59	3.33

40.3 Outstanding Balances:

Transactions	Associates & Enterprises owned or Significantly influenced by KMP		Key Managerial Personnel	
	As at 31/03/2023	As at 31/03/2022	As at 31/03/2023	As at 31/03/2022
Security deposits given				
- M/s Sambhu Investments Private Limited	2.00	2.00	-	-
- M/s Murarilal Mahendrakumar	-	0.03	-	-
Investments				
Investments in 22,31,980 Equity Shares of Rs. 10/- each of M/s. Eurotex Industries and Exports Limited (Stated at Fair Value through Profit & Loss) (Purchase Value Rs. 545.90 Lakhs)	291.50	296.85	-	-
Investments in 46,00,000 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.10/- each of M/s. Eurotex Industries and Exports Limited. (Stated at Amortized Cost) (Purchase Value Rs. 460 Lakhs)	159.61	147.79	-	-
Loan Given				
- M/s Eurotex Industries and Exports Limited	300.00	300.00	-	-
Interest Accrued				
- M/s Eurotex Industries and Exports Limited	27.75	8.85	-	-
Trade Receivables / (Payables)				
- M/s Eurotex Industries and Exports Limited	(0.02)	-	-	-
Remuneration Payable to				
- Managing Director	-	-	6.18	24.18
- Company Secretary	-	-	0.33	-
- Senior President	-	-	3.00	1.50

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and interest free (except loan to Associate Company) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

41 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 "EMPLOYEE BENEFITS"

(a) Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	2022-23	2021-22
Employer's contribution to Provident Fund	48.89	48.37
Employer's contribution to Superannuation Fund	21.86	21.58
Employer's contribution to Pension Scheme	69.72	70.19

(b) Defined benefit plan

Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below :

i) Reconciliation of opening and closing balances of defined benefit obligation

Particulars	2022-23	2021-22
Present value of obligation as at the beginning of the year	1,330.00	1,299.37
Interest Cost	74.17	69.58
Current Service Cost	60.17	60.04
Benefits Paid	(59.97)	(62.21)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(76.34)	(32.35)
Actuarial (Gain)/Loss on arising from Change Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	(33.06)	(4.43)
Present value of obligation as at the end of the year	1,294.96	1,330.00

ii) Reconciliation of opening and closing balances of fair value of plan assets

Particulars	2022-23	2021-22
Fair Value of plan assets at the beginning of the year	1,367.25	1,315.30
Interest Income	78.60	72.48
Contributions by the employer	32.05	24.88
Benefits paid	(59.97)	(62.21)
Return on plan assets	13.50	16.79
Fair Value of plan assets at the end of the year	1,431.42	1,367.25

iii) Reconciliation of fair value of assets and obligations

Particulars	As at 31/03/2023	As at 31/03/2022
Fair Value of plan assets	1,431.42	1,367.25
Present value of obligation	1,294.96	1,330.00
Amount recognised in Balance Sheet [Surplus/(Deficit)]	136.46	37.25

iv) Expenses recognised during the year

Particulars	2022-23	2021-22
(A) In the Statement of Profit & Loss		
Interest Cost	(4.43)	(2.90)
Current Service Cost	60.17	60.04
Net Cost	55.74	57.14
(B) In Other Comprehensive Income		
Actuarial (Gain)/Loss	(109.40)	(36.78)
Return on Plan Assets	(13.50)	(16.79)
Net Expense/(Income) recognized in Other Comprehensive Income	(122.90)	(53.57)

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

v) **Investment Details :**

Particulars	As at 31/03/2023	As at 31/03/2022
Insurance Plan	100%	100%

vi) **Actuarial Assumptions**

Particulars	As at 31/03/2023	As at 31/03/2022
Mortality Table	IALM(2012-14)	IALM(2012-14)
Discount Rate	7.30%	6.40%
Expected rate of return on plan assets	7.30%	6.40%
Rate of escalation in salary	7.00%	7.00%

vii) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Particulars	As at 31/03/2023	As at 31/03/2022
Sensitivity Level - Discount Rate		
0.5% Increase	1,255.93	1,286.17
0.5% Decrease	1,336.36	1,376.64
Sensitivity Level - Salary Escalation		
0.5% Increase	1,334.13	1,373.84
0.5% Decrease	1,257.68	1,288.38
Sensitivity Level - Withdrawal Rate		
W.R. X 110%	1,295.25	1,329.78
W.R. X 90%	1,294.67	1,330.19

viii) Expected contribution to the defined benefit plan for the next reporting period - Rs. 61.08 Lakhs

ix) **Maturity Profile of Defined Benefit Obligation**

Particulars	As at 31/03/2023	As at 31/03/2022
Within the next 12 months (next annual reporting period)	359.17	342.14
Between 2 to 5 years	307.92	308.21
Beyond 5 years	540.04	490.26

x) **Weighted Average duration of Defined Plan Obligation**

Particulars	As at 31/03/2023	As at 31/03/2022
Gratuity	7.365 Years	7.89 Years

PBM POLYTEX LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

42 Financial Instruments - Fair Values & Risk Management

42.1 Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1. The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial

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

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Input that is significant to the fair value measurement is unobservable.

I. Figures as at March 31, 2023

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	159.61	-	-	-
Other Non Current Financial Assets	86.61	-	-	-
Trade Receivables	1,779.86	-	-	-
Cash and Cash Equivalents	2,284.90	-	-	-
Bank Balances Other than Cash and Cash Equivalents	54.71	-	-	-
Other Current Financial Assets	346.40	-	-	-
TOTAL	4,712.09	-	-	-
Financial assets at fair value through profit or loss:				
Investments (Non-Current)	291.50	291.50	-	-
TOTAL	291.50	291.50	-	-
Financial liabilities at amortised cost:				
Lease Liabilities	26.57	-	-	-
Borrowings (Current)	36.47	-	-	-
Trade Payables	363.17	-	-	-
Other Financial Liabilities	318.82	-	-	-
TOTAL	745.02	-	-	-
Financial liabilities at fair value through profit or loss:				
TOTAL	-	-	-	-

II. Figures as at March 31, 2022

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	147.79	-	-	-
Other Non Current Financial Assets	89.84	-	-	-
Trade Receivables	1,402.55	-	-	-
Cash and Cash Equivalents	543.14	-	-	-
Bank Balances Other than Cash and Cash Equivalents	57.69	-	-	-
Other Current Financial Assets	325.54	-	-	-
TOTAL	2,566.56	-	-	-
Financial assets at fair value through profit or loss:				
Investments (Non-Current)	296.85	296.85	-	-
TOTAL	296.85	296.85	-	-
Financial liabilities at amortised cost:				
Lease Liabilities	34.86	-	-	-
Borrowings (Current)	30.48	-	-	-
Trade Payables	1,375.23	-	-	-
Other Financial Liabilities	307.77	-	-	-
TOTAL	1,748.35	-	-	-
Financial liabilities at fair value through profit or loss:				
TOTAL	-	-	-	-

No financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

43 Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

43.1 Credit Risk Management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of following financial assets represents the maximum credit exposure.

Trade Receivables

The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. The Company performs impairment analysis at each reporting date using expected credit loss model. The Company does not hold collateral as security.

Details of single customer accounted for more than 10% of the accounts receivables as at 31st March 2023 and 31st March 2022 :

Name of Customer	As at 31/03/2023	As at 31/03/2022
BYC Co. Ltd	186.44	167.37
Shovon Knitwear Limited	-	164.56

Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2023 and 31st March 2022 :

Name of Customer	2022-23	2021-22
BYC Co. Ltd.	4,287.70	3,706.37

The requirement of impairment of trade receivable is analysed as each reporting date. Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on 31st March, 2023.

43.2 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Borrowings including interest obligations	Trade Payables	Other Financial Liabilities	Total
As at 31st March, 2023				
Less than 1 year	36.47	363.16	321.82	721.45
1 to 5 years	-	-	23.57	23.57
Total	36.47	363.16	345.39	745.02
As at 31st March, 2022				
Less than 1 year	30.48	1,375.23	315.04	1,720.75
1 to 5 years	-	-	27.60	27.60
Total	30.48	1,375.23	342.64	1,748.35

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

43.3 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

43.4 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points	Impact on PAT	
		2022-23	2021-22
Working Capital Facilities from Bank	(0.50)	0.14	0.11
	0.50	(0.14)	(0.11)

43.5 Foreign currency risk

The company operates internationally and is exposed to currency risk on account of its receivables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The company does not use derivative financial instruments for trading or speculative purposes.

I. Foreign Currency Exposure

Particulars	As at 31/03/2023		As at 31/03/2022	
	USD	Euro	USD	Euro
Financial Assets				
Trade & Other Receivables	6.11	-	6.68	-
Less : Forward Contract for selling foreign currency	(6.11)	-	(6.68)	-
Total	-	-	-	-
Financial Liabilities	-	-	-	-
Net Exposure	-	-	-	-

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

43.6 Price Risk

--> **Investment Price Risk**

The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.

Sensitivity Analysis

The table below summarises the impact of increase/decrease of the index on the company's equity and profit for the period. The analysis is based on the assumption that the price of the instrument has increased by 3% or decreased by 3% with all other variables held constant.

Particulars	Movement in Rate	Impact on PAT	
		2022-23	2021-22
Equity Shares (Quoted)	3%	6.54	6.66
Equity Shares (Quoted)	-3%	(6.54)	(6.66)

--> **Commodity Price Risk**

Principal Raw Material for company's products is cotton. Company sources its raw material requirements from domestic markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of cotton by Rs. 1 per kg on profit for the period.

Particulars	Impact on PAT	
	2022-23	2021-22
Rs. 1 decrease in price of cotton	54.99	72.56
Rs. 1 increase in price of cotton	(54.99)	(72.56)

44 Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	As at 31/03/2023	As at 31/03/2022
Borrowings	36.47	30.48
Less : Cash & Cash Equivalents	2,284.90	543.14
Net Debt (A)	-	-
Total Equity	12,639.91	12,793.37
Equity and Net Debt (B)	12,639.91	12,793.37
Gearing Ratio (A/B)	-	-

45 In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

46 Key Ratios

Sr. No	Ratio	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reason for variance
1	Current Ratio				
	Current Assets	6.15	3.87	58.99%	Trade payables are reduced substantially as compared to last year.
	Current Liabilities				
2	Debt-to-equity Ratio				
	Total Borrowing plus Lease Liability	0.00499	0.00511	(2.35%)	
	Shareholder's Equity				
3	Debt Service Coverage Ratio				
	Earnings Available for Debt Servicing	3.65	24.65	(85.18%)	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Interest and Lease Payment Installments				
4	Return on Equity Ratio				
	Net Profit After Tax	0.23%	19.70%	(98.81%)	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Average Shareholder's Equity				
5	Inventory Turnover Ratio				
	Sale of Products	3.56	3.66	(2.81%)	
	Average Inventory				
6	Receivables Turnover Ratio				
	Net Sales	12.55	20.82	(39.72%)	Due to better cash management
	Average Accounts Receivable				
7	Payables Turnover Ratio				
	Net Credit Purchases plus Other Expenses	16.22	25.27	(35.82%)	Due to higher purchase of raw materials in last month.
	Average Trade Payables				
8	Net Capital Turnover Ratio				
	Net Sales	2.72	3.26	(16.67%)	
	Working Capital				
9	Net Profit Ratio				
	Profit After Tax	0.15%	9.21%	(98.38%)	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Net Sales				
10	Return on Capital employed Ratio				
	EBIT	0.85%	23.82%	(96.41%)	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Capital Employed				
11	Return on investment Ratio				
(a)	Mutual Fund Investments				
	Gain on sale / fair valuation of Mutual Fund	4.48%	3.13%	43.37%	Due to fluctuations in market yields
	Average investment in Mutual Funds				
(b)	Fixed Income Investments (FD, Bonds, Debentures & Preference Shares)				
	Interest Income + Profit on redemption	6.59%	5.00%	31.85%	Due to increase in interest rates
	Average investment in Fixed Income investments				
(c)	Quoted Equity Instruments Investments				
	Fair valuation of quoted investment + Dividend Income	(1.80%)	90.00%	(102.01%)	Due to fluctuations in market yields
	Market value at the beginning of the year				

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

47. Ageing of Trade Receivable

(Rs. In Lakhs)

47.1 Ageing of Trade Receivables outstanding as at 31/03/2023

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue/ Not due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	1,303.01	475.48	1.36	0.01	0.01	-	1,779.86
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
	1,303.01	475.48	1.36	0.01	0.01	-	1,779.86

47.2 Ageing of Trade Receivables outstanding as at 31/03/2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue/ Not due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	994.89	398.60	-	0.08	8.89	0.10	1,402.55
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
	994.89	398.60	-	0.08	8.89	0.10	1,402.55

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

48.1 Details as required under MSMED Act are given below :

Particulars	As at 31/03/2023	As at 31/03/2022
	TOTAL	TOTAL
Principal amount due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	6.85	135.59
Interest due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	-	-

The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

48.2 Ageing of Trade Payables

Ageing of Trade Payables outstanding as on 31/03/2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	6.85	-	-	-	-	6.85
Others	342.71	13.35	0.26	-	-	356.32
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	349.56	13.35	0.26	-	-	363.17

Ageing of Trade Payables outstanding as on 31/03/2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	132.49	3.10	-	-	-	135.59
Others	894.63	344.48	0.24	0.30	-	1,239.64
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,027.11	347.58	0.24	0.30	-	1,375.23

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

49 Loans granted to Promoters, Directors, KMPs and Related Parties

Details of Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment :

Type of Borrower	As at 31/03/2023		As at 31/03/2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KMPs	-	0.00%	-	0.00%
Related Parties	327.75	94.66%	308.85	95.30%

49.1 Disclosures pursuant to Section 186(4) of the Companies Act, 2013 :

Name of the Company	Purpose of Loan	Amount outstanding		Maximum Outstanding during the year	
		As at 31/03/2023	As at 31/03/2022	2022-23	2021-22
Eurotex Industries and Exports Limited	Working Capital	327.75	308.85	327.75	308.85

50 Borrowing based on security of current assets

Quarter	Name of Bank	Particulars of securities provided	Amount as reported in quarterly return/statement	Amount as per books of accounts	Amount of difference
June, 2022	State Bank of India / IDBI Bank	Inventory - Raw Material	3,500.00	3,499.34	0.66
June, 2022		Inventory - Finished Goods	2,175.00	2,251.27	(76.27)
June, 2022		Inventory - Work in Progress	435.00	428.74	6.26
June, 2022		Inventory - Stores and Spares	135.00	147.95	(12.95)
June, 2022		Trade Receivable	692.32	636.34	55.98
June, 2022		Trade Payable	36.00	250.81	(214.81)
September, 2022		Inventory - Raw Material	278.00	278.29	(0.29)
September, 2022		Inventory - Finished Goods	2,277.00	2,392.16	(115.16)
September, 2022		Inventory - Work in Progress	210.00	214.17	(4.17)
September, 2022		Inventory - Stores and Spares	139.00	153.01	(14.01)
September, 2022		Trade Receivable	987.83	1,065.96	(78.13)
September, 2022		Trade Payable	35.41	119.59	(84.18)
December, 2022		Inventory - Raw Material	268.00	268.42	(0.42)
December, 2022		Inventory - Finished Goods	1,790.00	1,790.71	(0.71)
December, 2022		Inventory - Work in Progress	332.00	331.98	0.02
December, 2022		Inventory - Stores and Spares	140.00	145.94	(5.94)
December, 2022		Trade Receivable	865.13	1,185.31	(320.18)
December, 2022		Trade Payable	108.72	210.87	(102.15)
March, 2023		Inventory - Raw Material	1,669.00	1,668.97	0.03
March, 2023		Inventory - Finished Goods	1,335.00	1,508.16	(173.16)
March, 2023		Inventory - Work in Progress	331.00	331.34	(0.34)
March, 2023		Inventory - Stores and Spares	131.00	150.77	(19.77)
March, 2023		Trade Receivable	1,778.56	1,779.86	(1.30)
March, 2023		Trade Payable	243.35	363.16	(119.81)

Reasons for material discrepancies

-The differences in inventories and trade receivables are majorly on account of goods in transit where the goods have been physically dispatched from the Company location however, the same has not been considered as revenue from the purpose of revenue recognition principles and hence reversed from books of accounts for respective quarter ends.

- The management, basis their understanding with banks, submits stock statement of physical stock as available at respective locations at the period end. Accordingly adjustment for goods in transit (inward and outward) is not considered for the purpose of filing returns with banks.

- The differences in trade payables are mainly due to payables for expenses which are not being considered in statements submitted to bank.

- There are other differences on account of regrouping and reclassification of trade receivable balances.

51 Other Statutory Information

(a) The Company does not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Hence any proceeding has not been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(b) The Company does not have any transactions with companies struck off.

(c) As on March 31, 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(d) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(e) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(f) The company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

(g) The Company have 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:

- 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 to or on behalf of the Ultimate Beneficiaries

(h) The Company have 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:

- 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

PBM POLYTEX LIMITED
NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

52 Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

**For and behalf of the Board of Directors of
PBM Polytex Limited**

**As per our attached Report of even Date
For, Mahendra N. Shah & Co.
Chartered Accountants**

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

CA Chirag M. Shah
Partner
M. No. 045706

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara
Date: 29th May, 2023

Place: Ahmedabad
Date: 29th May, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of
PBM Polytex Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **PBM Polytex Limited** (the 'Company') and its associate company M/s. Eurotex Industries and Exports Limited (hereinafter referred to as "Associate Company" and together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including statement of other comprehensive income), Consolidated Statement of changes in equity and Consolidated Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.(herein after referred as "Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 consolidated state of affairs of the Company as at March 31,2023, and their consolidated profit, their consolidated total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 opinion on the consolidated financial statements.

Emphasis of Matter

Attention is drawn to Note No. 55 of accompanying consolidated financial statements, which explains that financial statements of Eurotex Industries and Exports Limited (associate company) have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business though the said Company has incurred cash loss during the current year, losses during last many years, having eroded its entire net worth, that the operations of the manufacturing plants at Kolhapur have continued grinding halt since 25th

March, 2019 and announcement of their closure on 30th March, 2022. The management of the said Company has settled dues of lender banks (by borrowing from promoter group companies), is studying ways to exploring the possibility to lease out buildings, plant and machineries of Kolhapur mills, studying ways to revive some operations of the Company as also to undertake the further development of available land area at Kolhapur in near future, and in view of such positivities, the financial statements of the said Company have been prepared on a going concern basis.

Our opinion on the consolidated financial statements is not modified in respect above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Auditor's Response
<p><u>Measurement of provisions for employee emoluments and benefits</u></p> <p>The company has made provisions for employee benefits and revision of wages. The estimates made by the management regarding the existence of an obligation as well as the forecast of future cash outflows in connection with these obligations directly impact the recognition and measurement of provisions. The management also make use of their judgements for provisions concerning the legal disputes under negotiations.</p>	<p><u>Principal Audit Procedures</u></p> <p>We examined the processes and controls set up to prevent or detect and correct errors relating to the complete recognition and measurements of provisions involving the use of judgement.</p> <p>External actuaries were engaged to determine the amounts of provisions of gratuity and leave encashment. We examined the data made available to actuaries for completeness and accuracy. We reviewed the assumptions including the discount rate, expected return on plan assets, escalation rate, etc.</p> <p>In respect of provision for wage revision, we conducted a critical review of internal analysis notes for the likelihood and potential impact, examining the available documents.</p>

Information other than Consolidated Financial Statements & Auditors Report thereon.

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion & Analysis, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements:-

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 and its associate 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 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 consolidated 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 Matter

1. The consolidated financial statements of the Company for the year ended March 31, 2022 were audited by the predecessor auditors, who have expressed an unmodified opinion on those financial statements vide their audit report dated May 27, 2022.
2. The Consolidated financial statements also include the Group's share of net profit of Rs. Nil for the year ended March 31, 2023, as considered in the consolidated financial statements in respect of an associate company, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished by the Management and our opinion on the consolidated financial statements, in so far as it relates to the aforesaid associate, is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements is not modified in respect above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income and the Consolidated Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of accounts;
 - (d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors of the company and the report of the statutory auditor of its associate company, none of the directors of the company and its associate company is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of internal financial controls with respect to consolidated financial statements of the Company and its associate Company, incorporated in India, and the operating effectiveness of such controls, refer to or separate report in **“Annexure A”**.
- (g) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other statutory auditors of associate Company, incorporated in India, the managerial remuneration paid/provided by the Company and its associate Company to their directors during the year is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The consolidated financial statements disclose the impact of pending litigations on the financial position of the Group – Refer Note No. 36 to the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
 - iv. (a) The respective management of the Company and its associate Company, incorporated in India, have represented to us and the other auditors of such associate Company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its associate 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or its associate (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective management of the Company and its associate Company, incorporated in India, have represented to us and the other auditors of such associate Company respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts no funds (which are material either individually or in the aggregate) have been received by the Company or its associate from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or its associate shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of associate Company, incorporated in India, nothing has come to our

notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provide under (a) & (b) above contain any material misstatement.

- v. (a) 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.
 (b) The Company and its associate Company has not declared and paid any interim dividend during the year and until the date of this report.
 (c) The Board of Directors of the Company or its associate Company have not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to matter specified in paragraph 3(xxi) and 4 of 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, there are no qualification or adverse remarks by respective auditor in the Companies (Auditors Report) Order (CARO) reports of the companies included in consolidated financial statements except for the following:

No.	Name of the Company	CIN	Nature of Relationship	Clause Number of CARO report with qualification or adverse remarks
1	PBM Polytex Limited	L17110GJ1919PLC000495	Parent Company	ii(b), iii(c), iii(d), iii(f), vii(b)
2	Eurotex Industries and Exports Limited	L70200MH1987PLC042598	Associate Company	vii(b), ix(d), xiv, xvii

For, Mahendra N. Shah & Co.
Chartered Accountants
FRN 105775W

Place: Ahmedabad
Date: May 29, 2023
UDIN: 23045706BGUVRW9164

Chirag M. Shah
Partner
Membership No. 045706

“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1(f) under “Report on Other Legal and Regulatory Requirements” section of our report to the members of PBM Polytex Limited of even date)

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

We have audited the internal financial controls with reference to consolidated financial statements of PBM Polytex Limited (“the Company”) and its associate company incorporated in India, as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the company and its associate, 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 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 with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The

procedures selected depend on the auditor's Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Consolidated Financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company. (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial statements

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

Opinion

In our opinion, the Company and its associate company, which are incorporated in India, have, in all material respects, an adequate internal financial control system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls as stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India. Besides, it is advisable to continue internal audit of associate company for better financial controls.

Other Matters

Our aforesaid report under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 on the adequacy and reporting effectiveness of the internal financial controls with reference to the consolidated financial statements in so far as it relates to an associate company, incorporated in India, is based on the corresponding report of the auditor of such associate company incorporated in India. Our opinion is not modified in respect of this matter.

For, Mahendra N. Shah & Co.
Chartered Accountants
FRN 105775W

Place: Ahmedabad
Date: May 29, 2023
UDIN: 23045706BGUVRW9164

Chirag M. Shah
Partner
Membership No. 045706

PBM POLYTEX LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars		Notes	As At 31/03/2023	As At 31/03/2022
I	ASSETS			
1)	Non-current Assets			
	(a) Property, Plant and Equipment	2	5,183.53	4,971.95
	(b) Capital work-in-progress	3	2.57	77.18
	(c) Right of Use Assets	35.4	24.24	33.74
	(d) Intangible assets	4	8.21	9.12
	(e) Financial Assets			
	(i) Investments	5	159.61	147.79
	(ii) Other Financial Assets	6	86.61	89.84
	(f) Other non-current assets	7	189.74	146.06
	Total Non-current Assets		5,654.52	5,475.68
2)	Current Assets			
	(a) Inventories	8	3,659.24	7,340.64
	(b) Financial Assets			
	(i) Trade receivables	9	1,779.86	1,402.55
	(ii) Cash and cash equivalents	10	2,284.90	543.14
	(iii) Bank balances other than (ii) above	11	54.71	57.69
	(iv) Loans	12	318.48	315.24
	(v) Other Financial Assets	13	27.91	10.31
	(c) Current tax assets (Net)	14	37.23	14.64
	(d) Other current assets	15	614.38	650.78
	Total Current Assets		8,776.71	10,334.99
	TOTAL ASSETS		14,431.24	15,810.67
II	EQUITY AND LIABILITIES			
1)	Equity			
	(a) Equity Share Capital	16	687.90	687.90
	(b) Other Equity	17	11,733.88	11,883.35
	Total Equity		12,421.78	12,571.25
2)	Liabilities			
	Non-current Liabilities			
	(a) Financial Liabilities			
	(i) Lease Liabilities	35.1	22.56	26.57
	(ii) Other financial liabilities	18	1.01	1.03
	(b) Provisions	19	71.26	86.85
	(c) Deferred tax liabilities (Net)	20	487.16	452.42
	Total Non-current Liabilities		581.99	566.87

PBM POLYTEX LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars	Notes	As At 31/03/2023	As At 31/03/2022
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	36.47	30.48
(ii) Lease Liabilities	35.1	4.01	8.30
(iii) Trade payables			
- Total outstanding dues of micro & small enterprises	22	6.85	135.59
- Total outstanding dues of creditors other than micro enterprises and small enterprises		356.32	1,239.64
(iv) Other financial liabilities	23	317.81	306.75
(b) Other current liabilities	24	514.72	746.31
(c) Provisions	25	191.29	205.48
Total Current Liabilities		1,427.47	2,672.53
TOTAL EQUITY AND LIABILITIES		14,431.24	15,810.67
Notes forming part of the financial statements	1 - 56		

**For and behalf of the Board of Directors of
PBM Polytex Limited**

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO
(DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara

Date: 29th May, 2023

As per our attached Report of even Date

For, Mahendra N. Shah & Co.

Chartered Accountants

FRN : 105775W

CA Chirag M. Shah

Partner

M. No. 045706

Place: Ahmedabad

Date: 29th May, 2023

PBM POLYTEX LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

		(Rs. In Lakhs)	
Particulars	Notes	2022-23	2021-22
		TOTAL	TOTAL
I	INCOME		
	Revenue from operations	26	20,220.84
	Other income	27	308.52
	Total Income	20,529.36	25,685.24
II	EXPENSES		
	Cost of materials consumed	28	14,481.95
	Purchase of stock in trade		339.02
	Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	29	(601.36)
	Employee benefits expense	30	2,315.10
	Finance costs	31	57.00
	Depreciation and amortization expense	32	346.83
	Other expenses	33	3,868.39
	Total Expenses	20,467.91	22,738.07
III	Profit/(loss) before share of profit / (loss) of associates, exceptional items and tax	61.45	2,947.17
IV	Share of profit/(loss) of an associate	-	-
IV	Exceptional Items	-	-
V	Profit before tax	61.45	2,947.17
VI	Tax Expenses		
	Current Tax	36.86	835.95
	Deferred Tax Provision / (Reversal)	3.81	(61.56)
	Excess Provision of Income Tax of Earlier Years	(12.93)	(21.58)
	Total Tax Expenses	27.73	752.81
VII	Profit for the year	33.72	2,194.36
VIII	Other Comprehensive Income		
	Items that will not be reclassified to profit or loss		
	Remeasurement gain/(loss) on defined benefit plans	122.90	53.57
	Income tax relating to above items	(30.93)	(13.48)
	Total Other comprehensive Income for the year	91.97	40.09
IX	Total Comprehensive Income for the year	125.68	2,234.45
X	Net Profit attributable to:		
	Owners of the company	33.72	2,194.36
	Non controlling Interest	-	-
XI	Other Comprehensive Income attributable to:		
	Owners of the company	91.97	40.09
	Non controlling Interest	-	-
XII	Total Comprehensive Income attributable to:		
	Owners of the company	125.68	2,234.45
	Non controlling Interest	-	-
XIII	Earning per Equity Share of face value of Rs. 10 each		
	Basic	34	0.49
	Diluted	34	0.49
	Notes forming part of the financial statements	1 - 56	

For and behalf of the Board of Directors of
PBM Polytex Limited

Shri Gopal Patodia, Managing Director (DIN: 00014247)
 Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)
 Shri Ashok Pandit, Independent Director (DIN: 08132980)
 Shri Rakesh Todi, Independent Director (DIN: 08476512)
 Shri Amit Patodia, CEO
 Shri Sunil Somani, Finance Controller
 Ms. Swati Sharda, Company Secretary

Place: Vadodara
 Date: 29th May, 2023

As per our attached Report of even Date

Chartered Accountants
 FRN : 105775W

CA Chirag M. Shah
 Partner
 M. No. 045706

Place: Ahmedabad
 Date: 29th May, 2023

PBM POLYTEX LIMITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars	For the Year Ended 31/03/2023	For the Year Ended 31/03/2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before taxation	61.45	2,947.17
Adjustments to reconcile profit before tax to net cash flows:		
Share of Profit or Loss from Associate		
Depreciation /Amortization	346.83	328.54
Interest Income	(41.10)	(58.27)
Interest and Other Borrowing Cost	57.00	91.78
(Profit) / Loss on Sale of Tangible assets	(47.19)	7.81
(Profit) / Loss on Sale of Investment	(147.84)	(64.04)
Excess provision/sundry balances written back	(67.63)	(14.03)
Effect of fair valuation of investments	-	-
Other Comprehensive Income for gratuity	122.90	53.57
Operating Profit before Working Capital Changes	284.41	3,292.55
Working Capital Changes:		
Changes in Inventories	3,681.40	(1,233.43)
Changes in trade and other receivables	(384.61)	(1,065.46)
Changes in trade and other payables	(1,185.76)	300.46
Net Changes in Working Capital	2,111.03	(1,998.44)
Cash Generated from Operations	2,395.44	1,294.11
Direct Taxes paid (Net of Income Tax refund)	(46.51)	(867.03)
Net Cash flow from Operating Activities	2,348.92	427.08
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment/intangible assets	(516.94)	(701.34)
Sale of property, plant & equipment	90.74	85.83
Proceeds from Sale/Redemption of Investment (Net)	136.02	53.09
Movement in Other Bank Balances	2.99	63.58
Interest Income	23.50	48.07
Net Cash flow used in Investing Activities	(263.70)	(450.77)
C CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(284.16)	(106.41)
Proceeds from/(Repayments) of Short Term Borrowings	5.99	9.94
Interest and Other Borrowing Cost Paid	(57.00)	(91.78)
Payment of Lease Liability	(8.29)	(10.55)
Net Cash flow used in Financing Activities	(343.46)	(198.80)
Net Increase/(Decrease) in cash & cash equivalents	1,741.76	(222.49)
Cash & Cash equivalent at the beginning of the year	543.14	765.63
Cash & Cash equivalent at the end of the year	2,284.90	543.14

For and behalf of the Board of Directors of
PBM Polytex Limited

As per our attached Report of even Date
For, Mahendra N. Shah & Co.
Chartered Accountants
FRN : 105775W

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO
(DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

CA Chirag M. Shah
Partner
M. No. 045706

Place: Vadodara

Date: 29th May, 2023

Place: Ahmedabad

Date: 29th May, 2023

PBM POLYTEX LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

a. Equity Share capital

PARTICULARS	Rs. In Lakhs
As at April 1, 2021	687.96
Changes due to prior period errors	(0.06)
Restated Balance as April 1, 2022	687.90
Changes during the year 2021 - 2022	-
As at March 31, 2022	687.90
Changes due to prior period errors	-
Restated Balance as April 1, 2022	687.90
Changes during the year 2022 - 2023	-
As at March 31, 2023	687.90

b. Other Equity

(Rs. In Lakhs)

Particulars	Reserves and Surplus					Total
	Share Capital Forfeiture	Capital Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	
Balance at 1st April, 2021	0.17	125.00	7,042.62	1,483.39	1,100.87	9,752.04
Transferred to General Reserve	0.06	-	3,200.00	-	(3,200.00)	0.06
Profit for the year	-	-	-	-	2,194.36	2,194.36
Other Comprehensive Income for the year (Including tax thereon)	-	-	-	-	40.09	40.09
Dividend (Refer Note 16.7)	-	-	-	-	(103.19)	(103.19)
Balance at 31st March, 2022	0.23	125.00	10,242.62	1,483.39	32.13	11,883.35
Balance at 1st April, 2022	0.23	125.00	10,242.62	1,483.39	32.13	11,883.35
Transfer to General Reserve	-	-	200.00	-	(200.00)	-
Profit for the year	-	-	-	-	33.72	33.72
Other Comprehensive Income for the year (Including tax thereon)	-	-	-	-	91.97	91.97
Dividend (Refer Note 16.7)	-	-	-	-	(275.16)	(275.16)
Balance at 31st March, 2023	0.23	125.00	10,442.62	1,483.39	(317.35)	11,733.88

Gain of Rs. 91.97 Lakhs and Rs. 40.09 Lakhs on remeasurement of defined employee benefit plan (net of tax) is recognized as a part of retained earnings for the year ended March 31, 2023 and 2022 respectively.

**For and behalf of the Board of Directors of
PBM Polytex Limited**

**As per our attached Report of even Date
For, Mahendra N. Shah & Co.
Chartered Accountants
FRN : 105775W**

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

Place: Vadodara
Date: 29th May, 2023

Place: Ahmedabad
Date: 29th May, 2023

CA Chirag M. Shah

Partner

M. No. 045706

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

1A – CORPORATE INFORMATION

PBM Polytex Limited is a public company domiciled in India and is incorporated under the provisions of Companies Act applicable in India. The company is listed on the BSE limited (BSE). The registered office of the Company is located at Opp. Railway Station, Petlad – 388450, District - Anand, Gujarat, India.

The company is engaged in manufacture and processing of yarn. The Company has its wide market in local as well foreign market. The Company sells its products through established network.

The Consolidated Financial Statements present the consolidated accounts of PBM Polytex Limited (the “Company”) with its associate company M/s Eurotex Industries & Exports Limited (hereinafter referred to as “Associate Company” and together referred to as the “Group”).

The financial statements were authorized for issue in accordance with a resolution of the directors on May 29, 2023.

1B - SIGNIFICANT ACCOUNTING POLICIES

(1) Basis of Preparation:
Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended from time to time).

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

Principles of consolidation and equity accounting

Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Functional currency:

The financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

(2) Key accounting estimates & judgements:

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(3) Property, Plant & Equipment:

Property, plant and equipment are stated at cost, net of recoverable taxes, less depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and other cost directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

All expenditure incurred towards property, plant and equipment including expenditure incurred during construction / new projects are accumulated and shown as capital work in progress and not depreciated until such assets are ready for commercial use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets as follows :-

Class of Assets	Estimated useful life
Buildings	5-60 years
Plant & Equipment	15-25 years
Electrical Installations	10 years
Furniture & Fixtures	10 years
Office Equipment	3-6 years
Vehicles	8-10 years

The useful life as estimated above is aligned to the prescribed useful life specified under Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

Leasehold land is amortized over the period of lease.

(4) Intangible Assets

Computer software is stated at cost, less accumulated amortisation and impairments, if any.

Amortisation method and useful life

The Group amortizes computer software using the straight-line method over the period of 5 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(5) Inventories:

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material, etc. are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost is computed on a weighted average basis. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

(6) Financial Instruments

i. Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

De-recognition

Financial assets

The Group de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Group de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(7) Revenue recognition

Revenue is measured at the value of the consideration received or receivable, after deduction of any trade discount, volume rebates and any taxes or duties collected on behalf of Government such as Goods and Services Tax, etc.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below.

Sale of goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Other revenue:

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

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

Dividends are generally recognised in the Statement of Profit and Loss only when the right to receive is established.

(8) Foreign Currency Transactions:

Foreign currency transactions are translated into the functional currency using exchange rate at the date of the transaction. Foreign exchange gains and losses from the settlement of these transactions are recognized in the statement of profit and loss. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rates in effect at the balance sheet date, the gain or loss arising on such translations are recognized in the statement of profit and loss.

(9) Income tax

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

(a) Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(c) Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period. Minimum Alternate Tax (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 presented as Deferred Tax Asset.

(10) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

A contingent asset is a possible asset arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are not recognised till the realisation of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is possible.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(11) **Employee benefits** **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Gratuity liability of employees is funded with the approved gratuity trusts.

Defined Contribution Plans

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred. The Group contributes to Superannuation Trust for the Managerial Personnel of the Group as per the rules of the Trust.

(12) **Borrowing costs**

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

(13) **Earnings Per Share**

Basic earnings per share

Basic earnings per share is calculated by dividing:

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

- the profit attributable to owners of the Group
- average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(14) Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount.

(15) Leases :

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019).

As a Lessee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost 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 incentive received.

The ROU 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 ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements 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, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Group recognise the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

As a Lessor

The Group, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

(16) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(17) Cash Flow Statements

The Cash Flow statement is prepared by the “Indirect method” set out in Ind AS-7 on “Cash Flow Statement” and presents the cash flows by operating, investing and financing activities of the Group.

(18) Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

Dividends declared by the Group after the reporting period are not recognized as liability at the end of the reporting period. Dividends declared after the reporting period but before the issue of financial statements are not recognized as liability since no obligation exists at that time. Such dividends are disclosed in the notes to the financial statements.

(19) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. These are material items of income or expense that have to be shown separately due to their nature or incidence.

(20) Recent Pronouncement

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the ‘Rules’) which amends certain accounting standards, and are effective April 1, 2023. The Rules predominantly amends Ind AS 1 – “Presentation of financial statements” and Ind AS 12 – “Income taxes”, whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management’s assessment, these amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

2. Property, plant and equipment

(Rs. In Lakhs)

Particular	Leasehold Land	*Freehold Land	Building	Plant and Equipment	Electric Installation	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross Value										
Balance as at 31st March, 2021	25.36	137.25	2,206.26	11,650.03	525.41	205.54	365.03	73.36	58.28	15,246.52
Additions	-	-	64.74	467.29	8.41	6.75	62.06	11.38	4.10	624.72
Deduction & Adjustment	-	-	-	483.54	0.79	37.25	27.55	23.77	20.39	593.29
Balance as at 31st March, 2022	25.36	137.25	2,270.99	11,633.78	533.03	175.03	399.54	60.98	41.99	15,277.95
Additions	-	-	-	564.52	4.24	6.05	1.26	7.64	7.84	591.55
Deduction & Adjustment	-	-	-	449.53	-	3.47	12.48	6.41	4.47	476.37
Balance as at 31st March, 2023	25.36	137.25	2,270.99	11,748.76	537.28	177.61	388.32	62.20	45.35	15,393.13
Accumulated Depreciation										
Balance as at 31st March, 2021	0.36	-	1,131.44	8,337.03	486.39	166.42	259.29	57.64	49.85	10,488.43
Depreciaton for the year	0.36	-	42.19	230.27	2.76	7.64	20.03	5.35	8.62	317.22
Deduction & Adjustment	-	-	-	398.01	0.75	32.99	25.95	22.58	19.37	499.64
Balance as at 31st March, 2022	0.72	-	1,173.62	8,169.30	488.41	141.07	253.37	40.40	39.10	10,306.00
Depreciaton for the year	0.36	-	43.99	250.36	2.42	6.72	18.25	6.61	7.72	336.43
Deduction & Adjustment	-	-	-	407.49	-	3.14	11.86	6.09	4.25	432.83
Balance as at 31st March, 2023	1.08	-	1,217.61	8,012.17	490.83	144.66	259.76	40.92	42.56	10,209.60
Net carrying amount										
Balance as at 31st March, 2022	24.64	137.25	1,097.37	3,464.48	44.63	33.96	146.17	20.57	2.89	4,971.95
Balance as at 31st March, 2023	24.28	137.25	1,053.38	3,736.59	46.45	32.95	128.56	21.28	2.79	5,183.53

* Includes 100 Shares of Rs.10/- each (fully paid up) of The Friends Co-operative Housing Society Limited, Baroda.

2.1 All the title deeds for the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are in the name of the Company.

2.2 The Company has not done revaluation of PPE / Intangible assets.

PBM POLYTEX LIMITED
NOTES TO THE Consolidated FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

3 Capital Work in Progress

Particulars	31.03.2023	31.03.2022
Project in Progress	2.57	77.18
Total	2.57	77.18

3.1 Details of Capital work in progress Ageing

Ageing of Capital work-in-progress as at 31/03/2023 is as follows

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in Progress	2.57	-	-	-	2.57

Ageing of Capital work-in-progress as at 31/03/2022 is as follows

Particulars	Amount in Capital work-in-progress for the Period of				Total
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Project in Progress	77.18	-	-	-	77.18

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

21. Borrowings (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Current Interest-bearing loans and borrowings		
Working Capital Loans		
From banks		
Secured*	36.47	30.48
Total	36.47	30.48

21.1 Details of Security and Interest of working capital facilities from banks

Nature of Security	Terms of Interest
IDBI Bank:	RLRR plus 180 bps p.a.
<u>Primary Security</u> - First pari passu charge over current assets of the company. <u>Collateral Security</u> - First pari passu charge over fixed assets of the company.	
State Bank of India:	2.00% above EBLR
<u>Primary Security</u> - First charge on pari passu basis over the hypothecation of entire current assets of the company with IDBI. <u>Collateral Security</u> - First pari passu charge over the entire fixed assets of the company including hypothecation over plant and machinery and mortgage over land and building of the company.	

22. Trade Payables (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Total outstanding dues of micro & small Enterprises (Refer Note No. 48.1)	6.85	135.59
Total outstanding dues of creditors other than micro & small enterprises	356.32	1,239.64
Total	363.17	1,375.23

(Refer Note No. 48.2 For ageing of trade payables)

23. Other Financial Liabilities (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Unpaid dividends	28.48	37.47
Dues to Employees and others	289.33	269.28
Total	317.81	306.75

24. Other Current liabilities

Particulars	As at 31/03/2023	As at 31/03/2022
Credit Balances of Customers	186.49	391.21
Statutory Dues	51.51	42.87
Other Payables	276.72	312.23
Total	514.72	746.31

25. Provisions (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Provision for employee benefits		
- Leave Encashment (unfunded)	35.52	34.46
- Bonus	155.77	171.01
Total	191.29	205.48

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR
ENDED ON 31ST MARCH, 2023

4 Intangible Assets	(Rs. In Lakhs)
Particular	Computer Software
Gross Value	
Balance as at 31st March, 2021	28.35
Additions	-
Deduction & Adjustment	-
Balance as at 31st March, 2022	28.35
Additions	-
Deduction & Adjustment	-
Balance as at 31st March, 2023	28.35
Amortization	
Balance as at 31st March, 2021	18.18
Deduction & Adjustment	-
Amortization for the year	1.06
Balance as at 31st March, 2022	19.24
Deduction & Adjustment	-
Amortization for the year	0.90
Balance as at 31st March, 2023	20.14
Net carrying amount	
Balance as at 31st March, 2022	9.12
Balance as at 31st March, 2023	8.21

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

5. Investments (Non-Current)

PARTICULARS	As at 31/03/2023		As at 31/03/2022	
	Nos.	Rs. In Lakhs	Nos.	Rs. In Lakhs
Investments measured using Equity Method				
In Equity Shares of Associate Companies				
Quoted, Fully Paid Up				
M/s Eurotex Industries and Exports Limited (of Rs. 10 each)	2,231,980	-	2,231,980	-
Total of Investments measured using Equity Method		-		-
Investments measured at Amortized Cost				
In Preference Shares of Associate Companies				
Unquoted, Fully Paid Up				
6% Non- Cumulative Non- convertible Redeemable Preference Shares of Rs. 10/- each of M/s Eurotex Industries and Exports Limited	4600000	159.61	4,600,000	147.79
Total of Investments measured at Amortized Cost		159.61		147.79
Total Non Current Investments		159.61		147.79
Aggregate amount of quoted Investments		-		-
Market Value of quoted Investments		291.50		296.85
Aggregage amount of unquoted Investments		159.61		147.79

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

6. Other Financial Assets (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Security Deposits (Considered good - Unsecured)		
- Deposits with Related Parties	2.00	2.00
- Deposits with Others	84.53	87.76
Fixed Deposits with Banks*	0.08	0.08
Total	86.61	89.84

*given as security deposit to sales tax authorities

7. Other Non Current Assets

Particulars	As at 31/03/2023	As at 31/03/2022
Capital Advances	189.03	145.34
Others	0.71	0.71
Total	189.74	146.06

8. Inventories

Particulars	As at 31/03/2023	As at 31/03/2022
Raw materials (including Goods in Transit of Rs. Nil, PY Rs.14.78 Lakhs)	1,668.97	5,941.61
Stores, Spares & Fuel (including Goods in Transit of Rs. 8.36 Lakhs, PY Rs. 14.04 Lakhs)	150.77	160.88
Finished goods	1,413.72	885.00
Stock in Process	331.34	334.10
Cotton Waste	94.44	19.04
Total	3,659.24	7,340.64

9. Trade Receivables (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Considered good - Unsecured	1,779.86	1,402.55
Total	1,779.86	1,402.55

(Refer Note No. 47 for ageing of trade receivables)

10. Cash and Cash Equivalents

Particulars	As at 31/03/2023	As at 31/03/2022
Balances with banks		
- In current accounts	2,271.86	114.34
- In deposit accounts (with original maturity of less than 3 months)	-	415.00
Cash on hand	13.04	13.80
Total	2,284.90	543.14

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

11. Bank balances other than mentioned in cash and cash equivalents

Particulars	As at 31/03/2023	As at 31/03/2022
Unclaimed Dividend	28.48	37.47
Fixed Deposits with Banks*	26.23	20.22
Total	54.71	57.69

* includes bank FD under lien for margin money amounting to Rs. 26.23 Lakh (PY Rs. 19.72 Lakh)

12. Loans (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Considered good - Unsecured		
Loans & Advances to Employees	18.48	15.24
Considered good - Secured		
Loans to Related Parties		
-Inter Corporate Deposit with Associate Company	300.00	300.00
Total	318.48	315.24

13. Other financial assets (Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Interest receivable	27.91	10.31
Total	27.91	10.31

14. Current tax asset (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Advance tax (net off provision of income tax)	37.23	14.64
Total	37.23	14.64

15. Other Current Assets

Particulars	As at 31/03/2023	As at 31/03/2022
Advances to Suppliers & Others	218.11	98.87
Balance with Govt. Agencies	298.81	476.59
Prepaid Expenses	97.46	75.31
Total	614.38	650.78

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

16 Share capital

(Rs. In Lakhs)

Particulars	As at 31/03/2023		As at 31/03/2022	
	Units	Rs.	Units	Rs.
Authorised Share Capital :				
Equity Shares of Rs. 10 each	10,000,000	1,000.00	10,000,000	1,000.00
Issued & Subscribed :				
Equity Shares of Rs. 10 each	6,880,000	688.00	6,880,000	688.00
Subscribed and Fully Paid Up				
Equity Shares of Rs. 10 each	6,879,020	687.90	6,879,020	687.90

16.1 The reconciliation of the no. of shares outstanding is set out below :

Particulars	As at 31/03/2023	As at 31/03/2022
Equity shares		
At Beginning of the period	6,879,020	6,880,000
Add : Issued during the year	-	-
Less : Changes due to prior period errors	-	980
At End of the period	6,879,020	6,879,020

16.2 Details of shareholders holding more than 5% shares

Name of the shareholder	As at 31/03/2023		As at 31/03/2022	
	Units	% of holding	Units	% of holding
M/s Eurotex Industries & Exports Ltd.	358,345	5.21	358,345	5.21
M/s Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33
M/s Patodia Syntex Ltd.	712,957	10.36	712,957	10.36
M/s Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11

16.3 The Company has only one class of shares i.e. equity shares. All equity shares carry equal rights with respect to voting and dividend.

16.4 In the event of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remaining after distribution of all preferential amounts.

16.6 Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2023 is as follows

Promoter Name	As at 31/03/2023		As at 31/03/2022		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33	-
Patodia Syntex Ltd	712,957	10.36	712,957	10.36	-
Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11	-
Eurotex Industries and Exports Limited	358345	5.21	358,345	5.21	-
Rajiv Agencies Private Limited	-	-	222,848	3.24	(3.24)
Manju Patodia	216744	3.15	216,744	3.15	-
Madhu Patodia	212594	3.09	212,594	3.09	-
Rani Krishan Kumar Patodia	210511	3.06	210,511	3.06	-
Hari Prasad Siotia	199280	2.90	199,280	2.90	-
Anita Patodia	148194	2.15	148,194	2.15	-
Nandini Narayan Patodia	148194	2.15	148,194	2.15	-
Krishan Kumar Patodia	141028	2.05	141,028	2.05	-
Shashank Investments Private Limited	89512	1.30	89,512	1.30	-
Amit Patodia	78980	1.15	78,980	1.15	-
Shakuntala Devi Patodia	74386	1.08	74,386	1.08	-
Siddharth krishan kumar patodia	69007	1.00	69,007	1.00	-
Narayan Patodia	68849	1.00	68,849	1.00	-
Mohankumar patodia	67998	0.99	67,998	0.99	-
Aditi Jussawalla	63467	0.92	63,467	0.92	-
Priya gopal patodia	56553	0.82	56,553	0.82	-
Chandramauli Investment Pvt Ltd	56314	0.82	56,314	0.82	-
Vikash patodia	49518	0.72	49,518	0.72	-
Kirti patodia	47173	0.69	47,173	0.69	-
Yashvardhan narayan patodia	47173	0.69	47,173	0.69	-
Devan Patodia	45917	0.67	45,917	0.67	-
Gaurav Narayan Patodia	44995	0.65	44,995	0.65	-
Gopal Patodia	27369	0.40	27,369	0.40	-
Thrust Investment and Management Consultants Pvt Ltd.	-	-	6,473	0.09	(0.09)
Shailja Patodia	3125	0.05	3,125	0.05	-
Maharashtra Fibre and Syntex Ltd.	447	0.01	447	0.01	-
Rajiv Agencies LLP	222,848	3.24	-	-	3.24
Thrust Investment and Management Consultants LLP	6473	0.09	-	-	0.09

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

Disclosure of shareholding of promoters as at March 31, 2022 is as follows

Promoter Name	As at 31/03/2022		As at 31/03/2021		% Change during the year
	No. of Shares	% of holding	No. of Shares	% of holding	
Sambhu Investments Pvt Ltd	779,320	11.33	779,320	11.33	-
Patodia Syntex Ltd	712,957	10.36	712,957	10.36	-
Trikon Investments Pvt Ltd	557,834	8.11	557,834	8.11	-
Eurotex Industries and Exports Limited	358,345	5.21	358,345	5.21	-
Rajiv Agencies Private Limited	222,848	3.24	222,848	3.24	-
Manju Patodia	216,744	3.15	216,744	3.15	-
Madhu Patodia	212,594	3.09	212,594	3.09	-
Rani Krishan Kumar Patodia	210,511	3.06	210,511	3.06	-
Hari Prasad Siotia	199,280	2.90	199,280	2.90	-
Anita Patodia	148,194	2.15	148,194	2.15	-
Nandini Narayan Patodia	148,194	2.15	148,194	2.15	-
Krishan Kumar Patodia	141,028	2.05	141,028	2.05	-
Shashank Investments Private Limited	89,512	1.30	89,512	1.30	-
Amit Patodia	78,980	1.15	78,980	1.15	-
Shakuntala Devi Patodia	74,386	1.08	74,386	1.08	-
Siddharth krishan kumar patodia	69,007	1.00	69,007	1.00	-
Narayan Patodia	68,849	1.00	68,849	1.00	-
Mohankumar patodia	67,998	0.99	67,998	0.99	-
Aditi Jussawalla	63,467	0.92	63,467	0.92	-
Priya gopal patodia	56,553	0.82	56,553	0.82	-
Chandramauli Investment Pvt Ltd	56,314	0.82	56,314	0.82	-
Vikash patodia	49,518	0.72	49,518	0.72	-
Kirti patodia	47,173	0.69	47,173	0.69	-
Yashvardhan narayan patodia	47,173	0.69	47,173	0.69	-
Devan Patodia	45,917	0.67	45,917	0.67	-
Gaurav Narayan Patodia	44,995	0.65	44,995	0.65	-
Gopal Patodia	27,369	0.40	27,369	0.40	-
Thrust Investment and Management Consultants Pvt Ltd.	6,473	0.09	6,473	0.09	-
Shailja Patodia	3,125	0.05	3,125	0.05	-
Maharashtra Fibre and Syntex Ltd.	447	0.01	447	0.01	-

16.6 Details of shares bought back during the period of 5 years immediately preceding the reporting date:

Year	No. of Shares	Buy Back Price per Share (Rs.)
2019-20	1,250,000	80

16.7 Dividend on Equity Share :

Particulars	Year Ended 31/03/2023	Year Ended 31/03/2022
Dividend on equity shares declared and paid during the year		
Final dividend of Rs. 4.00 per share for FY 2021-22 (2020-21: Rs. 1.5 per share)	275.16	103.19
Proposed dividend on equity shares not recognised as liability		
Final dividend of Rs. Nil per share for FY 2022-23 (2021-22: Rs. 4 per share)	-	275.16

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

17. Other Equity

Particulars	As at 31/03/2023	As at 31/03/2022
Share Capital Forfeiture	0.23	0.23
CAPITAL RESERVE:		
Balance as per last year	1,483.39	1,483.39
Add: Appropriations From Current year's Profit	-	-
Balance at the end of the Year	1,483.39	1,483.39
General Reserve		
Balance as per last year	10,242.62	7,042.62
Add: Appropriations From Current year's Profit	200.00	3,200.00
Less : utilise for buy back	-	-
Balance at the end of the Year	10,442.62	10,242.62
Share Capital Redemption Reserve	125.00	125.00
Surplus in Statement of Profit & Loss		
Balance at the beginning of the Year	32.13	1,100.87
Add: Total Comprehensive Income for the year	125.68	2,234.45
Amount available for Appropriation (A)	157.81	3,335.32
<u>Less: Appropriations</u>		
Dividend	275.16	103.19
Transferred to General Reserves	200.00	3,200.00
Total Appropriation (B)	475.16	3,303.19
Balance at the end of the Year (A - B)	(317.35)	32.13
Total	11,733.88	11,883.35

Share Capital Redemption Reserve

Capital Redemption Reserve represents reserve created during buy back of Equity Shares and it is a non-distributable reserve.

General Reserve

General Reserve has been created by transfer out of profit generated by the Company and is available for distribution to shareholders. Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

Retained Earnings

Retained earnings are the profits that the Company has earned till date including effect of remeasurement of defined benefit obligations less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings is a free reserve available to the Company.

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

18. Other financial liabilities (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Security Deposits (From Debtors, Employees and Contractors)	1.01	1.03
Total	1.01	1.03

19. Provisions (Non Current)

Particulars	As at 31/03/2023	As at 31/03/2022
Provision for employee benefits		
- Leave Encashment (unfunded)	71.26	82.60
- Gratuity	-	4.25
Total	71.26	86.85

20. Deferred Tax Liabilities (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Liability Relating to earlier years	452.42	500.50
Add/(Less): Liability/(Assest) for the year		
- Charged/(Credited) to P & L	3.81	(61.56)
- Charged/(Credited) to OCI	30.93	13.48
TOTAL	487.16	452.42

20.1 Component of Deferred Tax Liabilities (Net)

Particulars	As at 31/03/2023	As at 31/03/2022
Depreciation	731.93	732.83
Employee Benefits	(31.78)	(64.41)
Other Timing Differences	(213.00)	(215.99)
TOTAL	487.16	452.42

20.2 Component of Deferred Tax Expense / (Income)

Particulars	As at 31/03/2023	As at 31/03/2022
- Charged/(Credited) to P & L		
Depreciation	(0.89)	(32.56)
Employee Benefits	1.70	(31.73)
Other Timing Differences	3.00	2.73
	3.81	(61.56)
- Charged/(Credited) to OCI		
Employee Benefits	30.93	13.48
	30.93	13.48
TOTAL	34.74	(48.07)

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

26. Revenue from Operations

Particulars	2022-23	2021-22
Sale of Products	19,563.04	24,607.10
Sale of Services (Job Work Charges)	401.41	370.88
	19,964.45	24,977.98
Other Operating Revenue		
-Sale of Scrap	18.24	21.64
-Export Incentive Income	238.15	537.93
Total	20,220.84	25,537.55

26.1 Sale of Products

Name of Products	2022-23	2021-22
Yarn sales	18,623.62	23,495.42
Cotton/Yarn Waste Sales	803.73	964.61
Sale of Electricity Units	135.69	147.07
Total	19,563.04	24,607.10

27. Other income

Particulars	2022-23	2021-22
Interest income	41.10	58.27
Net Gain on sale of Investments	147.84	64.04
Insurance claims Received	0.05	11.24
Gain on sale of property, plant and equipments	47.19	-
Foreign Exchange Fluctuation Gain	4.54	-
Excess Provision/Sundry Balances written back	67.63	14.03
Other Miscellaneous Income	0.16	0.12
Total	308.52	147.69

28. Cost of materials consumed

Particulars	2022-23	2021-22
Opening Stock	5,926.82	4,670.20
Add : Purchases	10,224.10	16,166.71
Sub Total	16,150.92	20,836.91
Less : Closing Stock	1,668.97	5,926.82
Total	14,481.95	14,910.09

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

29. Changes in Inventories of Finished goods, WIP and Waste

Particulars	2022-23	2021-22
Inventories at the beginning of the year		
Finished Goods	885.00	946.77
WIP	334.10	262.02
Waste	19.04	62.09
Sub Total	1,238.14	1,270.88
Less : Inventories at the end of the year		
Finished Goods	1,413.72	885.00
WIP	331.34	334.10
Waste	94.44	19.04
Sub Total	1,839.50	1,238.14
Net Decrease / (Increase) in Inventories	(601.36)	32.73

30. Employee benefit expense

Particulars	2022-23	2021-22
Salaries and wages	2,026.75	2,140.39
Contribution to provident and other funds	196.29	197.27
Staff welfare expenses	92.06	86.66
Total	2,315.10	2,424.32

31. Finance costs

Particulars	2022-23	2021-22
Interest Expenses	5.54	2.53
Other Borrowing Costs	51.46	89.25
Total	57.00	91.78

32. Depreciation and Amortization Expenses

Particulars	2022-23	2021-22
Depreciation on Property, Plant & Equipment	336.43	317.22
Amortization of Intangible Assets	0.90	1.06
Amortization of Right-of-Use Assets	9.50	10.27
Total	346.83	328.54

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST
MARCH, 2023

(Rs. In Lakhs)

33. Other expenses

Particulars	2022-23	2021-22
Consumption of stores and packing material	365.65	479.02
Power and fuel	2,346.61	2,490.25
Rent Expense	43.88	41.62
Repairs:-		
- Machinery (including spares)	210.01	368.10
- Building	45.47	73.93
- Others	46.02	60.62
Insurance	84.61	66.87
Rates and Taxes	25.86	14.50
Licence Fees, Legal & Professional Charges	74.40	86.66
Sales and Distribution Expenses	278.51	630.52
Travelling and conveyance	194.67	152.23
Directors Sitting Fees	6.15	7.80
Audit Fees and Expenses (Refer Note No. 33.1)	6.71	4.79
Donation	2.96	9.34
Foreign Exchange Fluctuation Loss	42.23	26.26
CSR Expenses (Refer Note No. 38)	19.13	25.00
Loss on sale of Property, Plant & Equipment	-	7.81
Other Miscellaneous Expenses	75.52	66.25
Total	3,868.39	4,611.58

33.1 Auditor's Remuneration

Particulars	2022-23	2021-22
As auditor :		
Audit fee	4.00	4.00
Tax Audit Fee	1.00	-
Reimbursement of expenses	1.71	0.79
Total	6.71	4.79

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

34. Earning Per Share

Particulars	2022-23	2021-22
Net Profit/(Loss) for the year attributable to Equity Shareholders (Rs. In Lakhs)	33.72	2,194.36
Weighted Average number of Equity Shares outstanding of Face Value of Rs. 10 each. (Nos.)	6,879,020	6,879,020
Number of Equity Shares for Basic EPS (Nos.)	6,879,020	6,879,020
Add : Diluted Potential Equity Shares (Nos.)	-	-
Number of Equity Shares for Diluted EPS (Nos.)	6,879,020	6,879,020
Basic Earning Per Share (Rs.)	0.49	31.90
Diluted Earning Per Share (Rs.)	0.49	31.90
Nominal Value Per Share (Rs.)	10.00	10.00

35. Disclosure under Ind As 116 - Leases

35.1 Lease liabilities included in financial statements

Particulars	As at 31/03/2023	As at 31/03/2022
Current	4.01	8.30
Non-Current	22.56	26.57
Total	26.57	34.86

35.2 Movement in Lease Liability during the year

Particulars	2022-23	2021-22
Balance at the beginning of the year	34.86	21.69
Additions	-	23.74
Finance Cost accrued during the year	3.04	2.08
Payment of Lease Liabilities (including interest)	(11.34)	(12.63)
Balance at the end of the year	26.57	34.86

35.3 Maturity Analysis of Undiscounted cash flow of the lease liability

Particulars	As at 31/03/2023	As at 31/03/2022
Less than one year	6.49	11.33
one to five years	21.12	26.96
More than 5 years	40.97	41.62

35.4 Movement in Right to Use of Assets during the year

Particulars	2022-23	2021-22
Balance at the beginning of the year	33.74	20.27
Addition during the year	-	23.74
Amortisation during the year	(9.50)	(10.27)
Balance at the end of the year	24.24	33.74

35.5 Expense relating to short-term leases are disclosed under the head rent expense in other expenses (Refer Note 33).

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
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36. Contingent Liabilities and Commitments

Particulars	As at 31/03/2023	As at 31/03/2022
Contingent Liabilities		
Entry tax demands for different years against which company has preferred appeals before appropriate authorities	2.16	2.16
Disputed VAT matters	-	1.44
Claim by Director of Industries, Gujarat in Gujarat High Court for non-delivery of yarn in the year 1978	1.09	1.09
Commitments		
Estimated amount of contracts remaining unexecuted on capital account and not provided for in Books (net of advances)	220.97	320.95
Other commitments	-	-

37. Segment Information

The company manufactures and deals in single segment, i.e. manufacturing of cotton yarn. Therefore no separate disclosure as per Ind AS 108 - "Operating Segments" is given.

37.1 Geographical Information

Revenue from external customers	2022-23	2021-22
India	14,542.15	14,259.99
Outside India	5,422.30	10,717.99
Total	19,964.45	24,977.98

37.2 There are no non-current assets other than in India.

38. Corporate Social Responsibility

Particulars	2022-23	2021-22
1. Gross amount required to be spent by the Company	23.26	11.35
2. Amount spent during the year		
(i) construction/acquisition of any asset	-	-
(ii) on purposes other than (i) above	19.13	25.00
3. Shortfall at the end of the year	-	-
4. Total of previous years' shortfall	-	-
5. Reasons for shortfall	-	-
6. The nature of CSR activities undertaken by the Company		
- Promoting Healthcare	15.00	25.00
- Promoting Education	1.63	-
- Promotion of Art and Culture	1.50	
- Women Empowerment	1.00	
7. CSR transactions with related parties	-	-

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023
(Rs. In Lakhs)

39. Income Taxes

Particulars	2022-23	2021-22
The major components of income tax expense for the year as under:		
Current tax	36.86	835.95
Deferred tax		
In respect of Accumulated Depreciation	(0.89)	(32.56)
In respect of Investments, employee benefits and other timing differences	35.63	(15.51)
Total deferred tax	34.74	(48.07)
Adjustment of tax for earlier years	(12.93)	(21.58)
Total tax expenses charged to statement of Profit and Loss (Including OCI)	58.66	766.29

39.1 Reconciliation of Effective Tax Rate

Particulars	2022-23	2021-22
Profit before tax	61.45	2,947.17
Other Comprehensive Income	122.90	53.57
Total	184.35	3,000.74
Tax @ 25.168% - (A)	46.42	755.21
Adjustment for		
Non deductible expenses	5.56	8.64
Adjustment in respect of income tax of previous year	(12.93)	(21.58)
Others	19.61	24.02
Income Tax Expenses recognised in Statement of Profit and Loss (including OCI)	58.66	766.29

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

40. Related Party Disclosures

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows:

40.1 Name of the Related Parties and Nature of Relationship:

Associates & Enterprises owned or significantly influenced by key management personnel (with whom the Company entered into transactions during the year)

M/s Patodia Syntex Limited	M/s B.L.Patodia Family Trust
M/s Eurotex Industries and Exports Limited	M/s Murarilal Mahendrakumar
M/s Trikon Investments Private Limited	M/s Brijlal Purushottamdas
M/s Sambhu Investments Private Limited	M/s Dharamchand Keshardeo
M/s Shashank Investment Private Limited	M/s Chandramauli Investment Private Limited
M/s Veepee Intrades Private Limited	M/s Suragini Investment Private Limited
M/s Star Silk Exports Private Limited	M/s Mercury Gem Private Limited

Key Managerial Personnel, Directors and Relatives:

Shri Gopal Patodia	Managing Director
Shri Mohan Kumar Patodia	Managing Director cum Chief Financial Officer
Shri Amit Patodia	Senior President cum Chief Executive Officer
Smt. Swati Sharda	Company Secretary
Shri Kishankumar Patodia	Chairman
Shri Hari Prasad Siotia	Non-Executive Director
Shri Jugal Kishore Todi	Independent Director (upto 20/4/2023)
Smt. Vinita Devi Modi	Independent Director (upto 14/7/2022)
Shri Ashok Pandit	Independent Director
Shri Rakesh Todi	Independent Director
Shri Chirayush Patel	Independent Director
Ms. Amishal Modi	Independent Director (w.e.f. 12/8/2022)

40.2 Transactions with Related Parties :

Transactions	Associates & Enterprises owned or Significantly influenced by KMP		Key Managerial Personnel, Directors & Relatives	
	2022-23	2021-22	2022-23	2021-22
Purchase of Goods (Net of GST)				
- M/s Eurotex Industries and Exports Limited	3.55	17.91	-	-
Purchase of Property, Plant and Equipments (Net of GST)				
- M/s Eurotex Industries and Exports Limited	-	11.76	-	-
Sale of Goods (Net of GST)				
- M/s Eurotex Industries and Exports Limited	-	101.82	-	-
Rent Paid				
- M/s Patodia Syntex Limited	1.20	1.20	-	-
- M/s Trikon Investments Private Limited	-	0.90	-	-
- M/s Sambhu Investments Private Limited	7.80	7.80	-	-
- M/s B.L.Patodia Family Trust	2.88	2.88	-	-
- M/s Murarilal Mahendrakumar	4.50	4.50	-	-
- M/s Brijlal Purushottamdas	1.80	1.80	-	-
- M/s Dharamchand Keshardeo	1.80	1.80	-	-
- M/s Eurotex Industries and Exports Limited	1.80	1.80	-	-
Rent Received				
- M/s Shashank Investment Private Limited	0.03	0.03	-	-
- M/s Veepee Intrades Private Limited	0.03	0.03	-	-
- M/s Chandramauli Investment Private Limited	0.03	0.03	-	-
- M/s Suragini Investment Private Limited	0.03	0.03	-	-
Dividend Paid				
- M/s Sambhu Investments Private Limited	31.17	11.69	-	-
- M/s Patodia Syntex Limited	28.52	10.69	-	-
- M/s Trikon Investments Private Limited	22.31	8.37	-	-
- M/s Eurotex Industries and Exports Limited	14.33	5.38	-	-
- M/s Shashank Investment Private Limited	3.58	1.34	-	-
- M/s Chandramauli Investment Private Limited	2.25	0.84	-	-
- Shri Gopal Patodia	-	-	1.09	0.41
- Shri Amit Patodia	-	-	3.16	1.18
- Shri Mohankumar Patodia	-	-	2.72	1.02

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(Rs. In Lakhs)

Sitting Fees				
Shri Kishankumar Patodia	-	-	0.15	0.15
Shri Hari Prasad Siotia	-	-	0.45	0.30
Shri Jugal Kishore Todi	-	-	0.90	1.20
Smt. Vinita Devi Modi	-	-	0.15	0.45
Shri Ashok Pandit	-	-	1.50	2.10
Shri Rakesh Todi	-	-	1.20	1.50
Shri Chirayush Patel	-	-	1.50	2.10
Ms. Amishal Modi	-	-	0.30	-
Loan Given				
- M/s Eurotex Industries and Exports Limited	-	300.00	-	-
Interest Income				
- M/s Eurotex Industries and Exports Limited	21.00	9.84	-	-
Remuneration to KMP				
- Managing Directors	-	-	120.59	144.33
- Senior President cum Chief Executive Officer	-	-	49.95	47.80
- Company Secretary	-	-	3.59	3.33

40.3 Outstanding Balances:

Transactions	Associates & Enterprises owned or Significantly influenced by KMP		Key Managerial Personnel	
	As at 31/03/2023	As at 31/03/2022	As at 31/03/2023	As at 31/03/2022
Security deposits given				
- M/s Sambhu Investments Private Limited	2.00	2.00	-	-
- M/s Murarilal Mahendrakumar	-	0.03	-	-
Investments				
Investments in 46,00,000 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.10/- each of M/s. Eurotex Industries and Exports Limited. (Stated at Amortized Cost) (Purchase Value Rs. 460 Lakhs)	159.61	147.79	-	-
Loan Given				
- M/s Eurotex Industries and Exports Limited	300.00	300.00	-	-
Interest Accrued				
- M/s Eurotex Industries and Exports Limited	27.75	8.85	-	-
Trade Receivables / (Payables)				
- M/s Eurotex Industries and Exports Limited	(0.02)	-	-	-
Remuneration Payable to				
- Managing Director	-	-	6.18	24.18
- Company Secretary	-	-	0.33	-
- Senior President	-	-	3.00	1.50

Terms and conditions of transactions with related parties:

Outstanding balances at the year-end are unsecured and interest free (except loan to Associate Company) and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

41 DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 19 "EMPLOYEE BENEFITS"

(a) Defined contribution plans

Contribution to defined contribution plans, recognised as expense for the year is as under :

Particulars	2022-23	2021-22
Employer's contribution to Provident Fund	48.89	48.37
Employer's contribution to Superannuation Fund	21.86	21.58
Employer's contribution to Pension Scheme	69.72	70.19

(b) Defined benefit plan

Details of defined benefit obligation and plan assets in respect of retiring gratuity are given below :

i) Reconciliation of opening and closing balances of defined benefit obligation

Particulars	2022-23	2021-22
Present value of obligation as at the beginning of the year	1,330.00	1,299.37
Interest Cost	74.17	69.58
Current Service Cost	60.17	60.04
Benefits Paid	(59.97)	(62.21)
Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(76.34)	(32.35)
Actuarial (Gain)/Loss on arising from Change Demographic Assumption	-	-
Actuarial (Gain)/Loss on arising from Experience Adjustment	(33.06)	(4.43)
Present value of obligation as at the end of the year	1,294.96	1,330.00

ii) Reconciliation of opening and closing balances of fair value of plan assets

Particulars	2022-23	2021-22
Fair Value of plan assets at the beginning of the year	1,367.25	1,315.30
Interest Income	78.60	72.48
Contributions by the employer	32.05	24.88
Benefits paid	(59.97)	(62.21)
Return on plan assets	13.50	16.79
Fair Value of plan assets at the end of the year	1,431.42	1,367.25

iii) Reconciliation of fair value of assets and obligations

Particulars	As at 31/03/2023	As at 31/03/2022
Fair Value of plan assets	1,431.42	1,367.25
Present value of obligation	1,294.96	1,330.00
Amount recognised in Balance Sheet [Surplus/(Deficit)]	136.46	37.25

iv) Expenses recognised during the year

Particulars	2022-23	2021-22
(A) In the Statement of Profit & Loss		
Interest Cost	(4.43)	(2.90)
Current Service Cost	60.17	60.04
Net Cost	55.74	57.14
(B) In Other Comprehensive Income		
Actuarial (Gain)/Loss	(109.40)	(36.78)
Return on Plan Assets	(13.50)	(16.79)
Net Expense/(Income) recognized in Other Comprehensive Income	(122.90)	(53.57)

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(Rs. In Lakhs)

v) **Investment Details :**

Particulars	As at 31/03/2023	As at 31/03/2022
Insurance Plan	100%	100%

vi) **Actuarial Assumptions**

Particulars	As at 31/03/2023	As at 31/03/2022
Mortality Table	IALM(2012-14)	IALM(2012-14)
Discount Rate	7.30%	6.40%
Expected rate of return on plan assets	7.30%	6.40%
Rate of escalation in salary	7.00%	7.00%

vii) **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below :

Particulars	As at 31/03/2023	As at 31/03/2022
Sensitivity Level - Discount Rate		
0.5% Increase	1,255.93	1,286.17
0.5% Decrease	1,336.36	1,376.64
Sensitivity Level - Salary Escalation		
0.5% Increase	1,334.13	1,373.84
0.5% Decrease	1,257.68	1,288.38
Sensitivity Level - Withdrawal Rate		
W.R. X 110%	1,295.25	1,329.78
W.R. X 90%	1,294.67	1,330.19

viii) Expected contribution to the defined benefit plan for the next reporting period - Rs. 61.08 Lakhs

ix) **Maturity Profile of Defined Benefit Obligation**

Particulars	As at 31/03/2023	As at 31/03/2022
Within the next 12 months (next annual reporting period)	359.17	342.14
Between 2 to 5 years	307.92	308.21
Beyond 5 years	540.04	490.26

x) **Weighted Average duration of Defined Plan Obligation**

Particulars	As at 31/03/2023	As at 31/03/2022
Gratuity	7.365 Years	7.89 Years

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

42 Financial Instruments - Fair Values & Risk Management

42.1 Accounting Classifications & Fair Value Measurements

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below :

1. The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
2. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial

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

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 : Input that is significant to the fair value measurement is unobservable.

I. Figures as at March 31, 2023

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	159.61	-	-	-
Other Non Current Financial Assets	86.61	-	-	-
Trade Receivables	1,779.86	-	-	-
Cash and Cash Equivalents	2,284.90	-	-	-
Bank Balances Other than Cash and Cash Equivalents	54.71	-	-	-
Other Current Financial Assets	346.40	-	-	-
TOTAL	4,712.09	-	-	-
Financial assets at fair value through profit or loss:	-	-	-	-
TOTAL	-	-	-	-
Financial liabilities at amortised cost:				
Lease Liabilities	26.57	-	-	-
Borrowings (Current)	36.47	-	-	-
Trade Payables	363.17	-	-	-
Other Financial Liabilities	318.82	-	-	-
TOTAL	745.02	-	-	-
Financial liabilities at fair value through profit or loss:	-	-	-	-
TOTAL	-	-	-	-

II. Figures as at March 31, 2022

Particulars	Carrying Amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Investments (Non-Current)	147.79	-	-	-
Other Non Current Financial Assets	89.84	-	-	-
Trade Receivables	1,402.55	-	-	-
Cash and Cash Equivalents	543.14	-	-	-
Bank Balances Other than Cash and Cash Equivalents	57.69	-	-	-
Other Current Financial Assets	325.54	-	-	-
TOTAL	2,566.56	-	-	-
Financial assets at fair value through profit or loss:	-	-	-	-
TOTAL	-	-	-	-
Financial liabilities at amortised cost:				
Lease Liabilities	34.86	-	-	-
Borrowings (Current)	30.48	-	-	-
Trade Payables	1,375.23	-	-	-
Other Financial Liabilities	307.77	-	-	-
TOTAL	1,748.35	-	-	-
Financial liabilities at fair value through profit or loss:	-	-	-	-
TOTAL	-	-	-	-

No financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

PBM POLYTEX LIMITED

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(Rs. In Lakhs)

43 Financial Risk Management

The company's Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework. The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

43.1 Credit Risk Management

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The carrying amount of following financial assets represents the maximum credit exposure.

Trade Receivables

The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. The Company performs impairment analysis at each reporting date using expected credit loss model. The Company does not hold collateral as security.

Details of single customer accounted for more than 10% of the accounts receivables as at 31st March 2023 and 31st March 2022 :

Name of Customer	As at 31/03/2023	As at 31/03/2022	
BYC Co. Ltd	186.44	167.37	
Shovon Knitwear Limited	-	164.56	

Details of single customer accounted for more than 10% of revenue for the year ended at 31st March 2023 and 31st March 2022 :

Name of Customer	2022-23	2021-22	
BYC Co. Ltd.	4,287.70	3,706.37	

The requirement of impairment of trade receivable is analysed as each reporting date. Based on historic default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on 31st March, 2023.

43.2 Liquidity Risk

Liquidity Risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at reasonable price. The company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecast on the basis of expected cash flows.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	Borrowings including interest obligations	Trade Payables	Other Financial Liabilities	Total
As at 31st March, 2023				
Less than 1 year	36.47	363.16	321.82	721.45
1 to 5 years	-	-	23.57	23.57
Total	36.47	363.16	345.39	745.02
As at 31st March, 2022				
Less than 1 year	30.48	1,375.23	315.04	1,720.75
1 to 5 years	-	-	27.60	27.60
Total	30.48	1,375.23	342.64	1,748.35

43.3 Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loan borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

43.4 Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.

Nature of Borrowing	Change in basis points	Impact on PAT	
		2022-23	2021-22
Working Capital Facilities from Bank	(0.50)	0.14	0.11
	0.50	(0.14)	(0.11)

43.5 Foreign currency risk

The company operates internationally and is exposed to currency risk on account of its receivables in foreign currency. The functional currency of the company is Indian Rupee. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date.

The company does not use derivative financial instruments for trading or speculative purposes.

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

I. Foreign Currency Exposure

Particulars	As at 31/03/2023		As at 31/03/2022	
	USD	Euro	USD	Euro
Financial Assets				
Trade & Other Receivables	6.11	-	6.68	-
Less : Forward Contract for selling foreign currency	(6.11)	-	(6.68)	-
Total	-	-	-	-
Financial Liabilities	-	-	-	-
Net Exposure	-	-	-	-

43.6 Price Risk

--> **Investment Price Risk**

The company's exposure to price risk arises from investments in equity and mutual fund held by the company and classified in the balance sheet at fair value through profit or loss. To manage its price risk arising from investments, the company diversifies its portfolio.

--> **Commodity Price Risk**

Principal Raw Material for company's products is cotton. Company sources its raw material requirements from domestic markets. Company effectively manages availability of material as well as price volatility through well planned procurement and inventory strategy and also through appropriate contracts and commitments.

Sensitivity Analysis

The table below summarises the impact of increase/decrease in prices of cotton by Rs. 1 per kg on profit for the period.

Particulars	Impact on PAT	
	2022-23	2021-22
Rs. 1 decrease in price of cotton	54.99	72.56
Rs. 1 increase in price of cotton	(54.99)	(72.56)

44 Capital management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The company monitors capital using gearing ratio, which is net debt divided by total equity plus debt.

Particulars	As at 31/03/2023	As at 31/03/2022
Borrowings	36.47	30.48
Less : Cash & Cash Equivalents	2,284.90	543.14
Net Debt (A)	-	-
Total Equity	12,421.78	12,571.25
Equity and Net Debt (B)	12,421.78	12,571.25
Gearing Ratio (A/B)	-	-

45 In terms of Ind AS 36 – Impairment of Assets issued by ICAI, the management has reviewed its fixed assets and arrived at the conclusion that impairment loss which is difference between the carrying amount and recoverable value of assets, was not material and hence no provision is required to be made.

PBM POLYTEX LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

46 Key Ratios

Sr. No	Ratio	Ratio as on 31st March 2023	Ratio as on 31st March 2022	% Deviation	Reason for variance
1	Current Ratio				
	Current Assets	6.15	3.87	58.99%	Trade payables are reduced substantially as compared to last year.
	Current Liabilities				
2	Debt-to-equity Ratio				
	Total Borrowing plus Lease Liability	0.00507	0.00520	-2.37%	
	Shareholder's Equity				
3	Debt Service Coverage Ratio				
	Earnings Available for Debt Servicing	3.59	25.00	-85.64%	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Interest and Lease Payment Installments				
4	Return on Equity Ratio				
	Net Profit After Tax	0.27%	19.07%	-98.59%	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Average Shareholder's Equity				
5	Inventory Turnover Ratio				
	Sale of Products	3.56	3.66	-2.81%	
	Average Inventory				
6	Receivables Turnover Ratio				
	Net Sales	12.55	20.82	-39.72%	Due to better cash management
	Average Accounts Receivable				
7	Payables Turnover Ratio				
	Net Credit Purchases plus Other Expenses	16.21	25.27	-35.84%	Due to higher purchase of raw materials in last month.
	Average Trade Payables				
8	Net Capital Turnover Ratio				
	Net Sales	2.72	3.26	-16.67%	
	Working Capital				
9	Net Profit Ratio				
	Profit After Tax	0.17%	8.79%	-98.08%	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Net Sales				
10	Return on Capital employed Ratio				
	EBIT	0.91%	23.28%	-96.07%	Current year's profitability is adversely impacted due to increase in prices of raw materials and lower exports as compared to last year.
	Capital Employed				
11	Return on investment Ratio				
(a)	Mutual Fund Investments				
	Gain on sale / fair valuation of Mutual Fund	4.48%	3.13%	43.37%	Due to fluctuations in market yields
	Average investment in Mutual Funds				
(b)	Fixed Income Investments (FD, Bonds, Debentures & Preference Shares)				
	Interest Income + Profit on redemption	6.59%	5.00%	31.85%	Due to increase in interest rates
	Average investment in Fixed Income investments				

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

47. Ageing of Trade Receivable

47.1 Ageing of Trade Receivables outstanding as at 31/03/2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Less than 6	6 months-1 Years	1-2 Years	2-3 Years	More than 3	
Undisputed Trade Receivable-Considered good	1,303.01	475.48	1.36	0.01	0.01	-	1,779.86
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
	1,303.01	475.48	1.36	0.01	0.01	-	1,779.86

47.2 Ageing of Trade Receivables outstanding as at 31/03/2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Revenue/ Not due	Less than 6 months	6 months-1 Years	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable-Considered good	994.89	398.60	-	0.08	8.89	0.10	1,402.55
Undisputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable-Considered good	-	-	-	-	-	-	-
Disputed trade receivable-Significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable-Credit Impaired	-	-	-	-	-	-	-
	994.89	398.60	-	0.08	8.89	0.10	1,402.55

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

48.1 Details as required under MSMED Act are given below :

Particulars	As at 31/03/2023	As at 31/03/2022
	TOTAL	TOTAL
Principal amount due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	6.85	135.59
Interest due to any supplier registered under MSMED Act and remaining unpaid as at the end of accounting year	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act.	-	-

The above information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

48.2 Ageing of Trade Payables

Ageing of Trade Payables outstanding as on 31/03/2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	6.85	-	-	-	-	6.85
Others	342.71	13.35	0.26	-	-	356.32
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	349.56	13.35	0.26	-	-	363.17

Ageing of Trade Payables outstanding as on 31/03/2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 Year	1-2 Year	2-3 Years	More than 3 Years	
MSME	132.49	3.10	-	-	-	135.59
Others	894.63	344.48	0.24	0.30	-	1,239.64
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,027.11	347.58	0.24	0.30	-	1,375.23

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

49 **Details of associate company**

Name of Associate Company	Principal Activity	Country of Incorporation	Proportion of Ownership Interest	
			As at 31/3/2023	As at 31/3/2023
Eurotex Industries and Exports Limited	Manufacturing of Yarn & Real Estate Development	India	25.51%	25.51%

50 **Summarised financial information in respect of associate company (Eurotex Industries and Exports Limited)**

Particulars	As at 31/03/2023	As at 31/03/2022
Non-current Assets	4118.11	4616.53
Current Assets	262.46	215.04
Non-current Liabilities	1293.35	1336.61
Current Liabilities	5043.14	5144.32
Equity	(1,955.92)	(1,649.36)
Proportion of the Group's ownership	25.51%	25.51%
Carrying amount of the Investment	-	-

Particulars	2022-23	2021-22
Total Income	796.66	480.11
Total Expenses	1130.94	1546.9
Loss for the year before tax	(334.28)	(1,066.79)
Income Tax Expenses	(77.50)	103.35
Loss for the year	(256.78)	(1,170.14)
Other Comprehensive Income	(49.79)	217.86
Total Comprehensive Income	(306.57)	(952.28)
Group's share of profit for the year	-	-

51 **Additional information, as required under Schedule III to the Companies Act, 2013 of Enterprises Consolidated as Associates**

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidation	Amount	As % of Consolidation	Amount	As % of Consolidation	Amount	As % of Consolidation	Amount
Parent								
PBM Polytex Limited	100.00%	12,421.78	100.00%	33.72	100.00%	91.97	100.00%	125.68
Associate								
Eurotex Industries and Exports Limited	-	-	-	-	-	-	-	-
Total	100.00%	12,421.78	100.00%	33.72	100.00%	91.97	100.00%	125.68

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

52 Loans granted to Promoters, Directors, KMPs and Related Parties

Details of Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are(a) repayable on demand or (b) without specifying any terms or period of repayment :

Type of Borrower	As at 31/03/2023		As at 31/03/2022	
	Amount of loan or advance in the nature of loan outstanding*	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding *	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	0.00%	-	0.00%
Directors	-	0.00%	-	0.00%
KMPs	-	0.00%	-	0.00%
Related Parties	327.75	94.66%	308.85	95.30%

* including interest receivable

52.1 Disclosures pursuant to Section 186(4) of the Companies Act, 2013 :

Name of the Company	Purpose of Loan	Amount outstanding		Maximum Outstanding during the year	
		As at 31/03/2023	As at 31/03/2022	2022-23	2021-22
Eurotex Industries and Exports Limited	Working Capital	327.75	308.85	327.75	308.85

53 Borrowing based on security of current assets

Quarter	Name of Bank	Particulars of securities provided	Amount as reported in quarterly return/statement	Amount as per books of accounts	Amount of difference
June, 2022	State Bank of India / IDBI Bank	Inventory - Raw Material	3,500.00	3,499.34	0.66
June, 2022		Inventory - Finished Goods	2,175.00	2,251.27	(76.27)
June, 2022		Inventory - Work in Progress	435.00	428.74	6.26
June, 2022		Inventory - Stores and Spares	135.00	147.95	(12.95)
June, 2022		Trade Receivable	692.32	636.34	55.98
June, 2022		Trade Payable	36.00	250.81	(214.81)
September, 2022		Inventory - Raw Material	278.00	278.29	(0.29)
September, 2022		Inventory - Finished Goods	2,277.00	2,392.16	(115.16)
September, 2022		Inventory - Work in Progress	210.00	214.17	(4.17)
September, 2022		Inventory - Stores and Spares	139.00	153.01	(14.01)
September, 2022		Trade Receivable	987.83	1,065.96	(78.13)
September, 2022		Trade Payable	35.41	119.59	(84.18)
December, 2022		Inventory - Raw Material	268.00	268.42	(0.42)
December, 2022		Inventory - Finished Goods	1,790.00	1,790.71	(0.71)
December, 2022		Inventory - Work in Progress	332.00	331.98	0.02
December, 2022		Inventory - Stores and Spares	140.00	145.94	(5.94)
December, 2022		Trade Receivable	865.13	1,185.31	(320.18)
December, 2022		Trade Payable	108.72	210.87	(102.15)
March, 2023		Inventory - Raw Material	1,669.00	1,668.96	0.04
March, 2023		Inventory - Finished Goods	1,335.00	1,508.16	(173.16)
March, 2023	Inventory - Work in Progress	331.00	331.34	(0.34)	
March, 2023	Inventory - Stores and Spares	131.00	150.77	(19.77)	
March, 2023	Trade Receivable	1,778.56	1,779.86	(1.30)	
March, 2023	Trade Payable	243.35	363.16	(119.81)	

Reasons for material discrepancies

-The differences in inventories and trade receivables are majorly on account of goods in transit where the goods have been physically dispatched from the Company location however, the same has not been considered as revenue from the purpose of revenue recognition principles and hence reversed from books of accounts for respective quarter ends.

- The management, basis their understanding with banks, submits stock statement of physical stock as available at respective locations at the period end. Accordingly adjustment for goods in transit (inward and outward) is not considered for the purpose of filing returns with banks.

- The differences in trade payables are mainly due to payables for expenses which are not being considered in statements submitted to bank.

- There are other differences on account of regrouping and reclassification of trade receivable balances.

PBM POLYTEX LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2023

(Rs. In Lakhs)

54 Other Statutory Information

(a) The Group does not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Hence any proceeding has not been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(b) The Group does not have any transactions with companies struck off.

(c) As on March 31, 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(d) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(e) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(f) The Group does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

(g) The Group have 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:

- 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 to or on behalf of the Ultimate Beneficiaries

(h) The Group have 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:

- 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

55 In respect of Eurotex Industries & Exports Limited (associate company) -

The Board of Directors of Eurotex Industries 7 Exports Limited in their meeting held on 26th March, 2022, has decided for closure of its manufacturing plants situated at Kolhapur under Industrial Disputes Act, 1947, due to continuous grinding halt of operations of plants at Kolhapur since 25th March, 2019 arising out of persistent, unfair and illegal activities of labour including severe inter-union rivalry and disconnection of power. The Notice of Closure of the manufacturing plants at Kolhapur has been displayed on 30th March, 2022 at the main gate of the Plants and a copy of said Notice has been sent to concerned workers and authorities. The Company has sent termination letters to all the remaining 38 workers individually by Registered Post.

The matter in respect of labour dues for lay off of workers which was subjudice, has been disposed off by the Hon'ble Supreme Court mentioning that the remedy has to be sought in the Hon'ble High court. Accordingly, the Company has filed a writ petition before Hon'ble High Court, Mumbai. In view of expert legal advice taken in the matter, the Company expects a favourable decision. The management has settled all the dues of lender banks, exploring the possibilities to lease out buildings, plant and machineries of Kolhapur mills, studying ways to revive some operations of the Company as also to undertake the further development of available land area at Kolhapur in near future and in view of such positivities, the financial statements have been prepared on a going concern basis.

56 Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

**For and behalf of the Board of Directors of
PBM Polytex Limited**

Shri Gopal Patodia, Managing Director (DIN: 00014247)

Shri Mohan Kumar Patodia, Managing Director cum CFO (DIN: 00035381)

Shri Ashok Pandit, Independent Director (DIN: 08132980)

Shri Rakesh Todi, Independent Director (DIN: 08476512)

Shri Amit Patodia, CEO

Shri Sunil Somani, Finance Controller

Ms. Swati Sharda, Company Secretary

**As per our attached Report of even Date
For, Mahendra N. Shah & Co.**
Chartered Accountants
FRN :105775W

CA Chirag M. Shah
Partner
Membership No: 045706

Place: Vadodara
Date: 29th May, 2023

Place: Ahmedabad
Date: 29th May, 2023

PBM Polytex Limited

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