



BSL/SEC/23

10<sup>th</sup> July, 2023

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
(Maharashtra)

**Scrip Code: 503722**

**National Stock Exchange of India Ltd**  
Exchange Plaza Bandra–Kurla,  
Bandra (East), Mumbai–400051  
(Maharashtra)

**Symbol :BANSWRAS**

**Sub: Annual Report for the Financial Year 2022-23**

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 47<sup>th</sup> Annual General Meeting ("AGM") scheduled to be held on **Saturday, 5<sup>th</sup> August, 2023 at 5:00 P.M.(IST)** at its Registered Office i.e. Industrial Area, Dahod Road, Post Box No. 21, Banswara - 327001, Rajasthan.

The Annual Report along with the Notice of the AGM for the Financial Year 2022-23 is also available on the website of the Company at [https://www.banswarasyntex.com/wp-content/uploads/2023/07/BalSheet\\_202223.pdf](https://www.banswarasyntex.com/wp-content/uploads/2023/07/BalSheet_202223.pdf)

**Yours Faithfully**  
**For BANSWARA SYNTEX LIMITED**

**(H.P. KHARWAL)**  
**Company Secretary & Compliance Officer**  
Membership No. A28614  
Encl: a/a

**BANSWARA SYNTEX LIMITED**

**CORPORATE OFFICE**

5th Floor, Gopal Bhawan, 199, Princess Street, Mumbai - 400 002  
Tel : +91 22 66336571-76 | Fax : +91 22 2206 4486  
Email : [info@banswarafabrics.com](mailto:info@banswarafabrics.com)

**REGISTERED OFFICE & MILLS**

Industrial Area, Dahod Road, Banswara - 327 001 (Rajasthan)  
Tel : +91 2962 240690 - 93, 257676 - 81  
Email : [info@banswarafabrics.com](mailto:info@banswarafabrics.com)



# BANSWARA SYNTEX LIMITED

Yarns | Fabrics | Garments

**47<sup>th</sup>**

**ANNUAL  
REPORT**

**2022-23**



## COMPANY INFORMATION

### BOARD OF DIRECTORS

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

### EXECUTIVES

Shri Vireshwar R. Joshi, Business Head (Yarn)  
Shri Shailendra Kumar Pandey, Business Head (Fabrics)  
Shri Rahul Bhaduria, Business Head (Garments)  
Smt. Kavita Soni, Sr. Vice President (CSR)  
Shri Prashant Joshi, Sr. Vice President (Fabrics)  
Shri Pawan Mangal, Sr. Vice President (Spinning)  
Shri S.K. Bhomiya, Sr. Vice President

### CHIEF FINANCIAL OFFICER

Shri Pankaj Gharat (up to 28-02-2023)  
Smt. Kavita Gandhi (w.e.f. 15-05-2023)

### COMPANY SECRETARY & COMPLIANCE OFFICER

Shri H.P. Kharwal

### STATUTORY AUDITORS

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

### Cost Auditor

K.G. Goyal & Co.  
Cost Accountants  
8, Chitragupta Nagar 1, Imli Phatak, Jaipur - 302015

### Secretarial Auditor

V.M. & Associates,  
Company Secretaries,  
403, Royal World, S.C. Road, Jaipur - 302001

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Computech Sharecap Ltd.  
147, Mahatma Gandhi Road, Fort, Opp. Jahangir Art Gallery,  
MUMBAI-400 001.

Email: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)

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

Phone No. (022)-22635000, 22635001

Fax: (022)-22635005

### OFFICES

#### REGISTERED OFFICE

Industrial Area, Dahod Road, Post Box No. 21  
BANSWARA-327 001 (Rajashtan)  
CIN: L24302RJ1976PLC001684  
Email : [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com)  
Website : [www.banswarasyntex.com](http://www.banswarasyntex.com)  
Phone No. (02962) 240692, 257694, 257680

#### HEAD/MARKETING OFFICE

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

#### DELHI OFFICE

B62/1, 2<sup>nd</sup> Floor, Mansarovar Garden  
Near Bharat Dharam Kanta  
NEW DELHI - 110015

#### JAIPUR OFFICE

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

### PLANTS

#### Banswara Unit

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

#### Daman Unit (Garment)

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

#### Surat Unit (Garment)

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

### BANKERS

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



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### QUALITY POLICY

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

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

## NOTICE OF 47<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that 47<sup>th</sup> Annual General Meeting (AGM) of the Members of Banswara Syntex Ltd. (the Company) will be held on Saturday, the 5<sup>th</sup> day of August, 2023 at 5:00 P.M. (IST) at its Registered Office situated at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001 (Rajasthan) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with the reports of the Board of Directors and Auditors thereon and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and Auditor's report thereon.
2. To declare final dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2023.
3. To appoint a Director in place of Shri Shaleen Toshniwal, Whole Time Director (DIN: 00246432), who retires by rotation and, being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

#### 4. To ratify the Remuneration to the Cost Auditors for the Financial Year 2023-24.

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the payment of the remuneration of ₹ 2,60,000/- (Rupees Two Lakh Sixty Thousand only) plus applicable taxes and out of pocket expenses to M/s. K.G. Goyal & Co., Cost Accountants (Firm Registration No.000017) who were appointed by the Board of Directors of the Company, as Cost Auditors to conduct the audit of the cost records maintained by the Company for Financial Year ending on 31<sup>st</sup> March, 2024, be and is hereby ratified.

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

#### 5. To re-appoint Shri Rakesh Mehra (DIN: 00467321) as Chairman and Whole-Time Director of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as may be applicable, the consent of the members of the Company, be and is hereby accorded for the re-appointment of Shri Rakesh Mehra (DIN – 00467321) as Chairman and Whole Time Director of the Company for a period of 3 Years (Three Years) w.e.f. 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2026 on the terms and conditions including remuneration, as set out below, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits as mentioned in this resolution and as specified under Schedule V of the Companies Act, 2013 and/or any statutory modification(s) or re-enactment(s) thereof:-

- (I) **Basic Salary:** ₹ 18,00,000/- per month, w.e.f. 1<sup>st</sup> January, 2024 which shall be increased every year on 1<sup>st</sup> January by ₹ 2,50,000/- in the scale of ₹ 18,00,000 – 2,50,000 – 23,00,000. The first increase in the above salary will be from 1<sup>st</sup> January, 2025.
- (II) **Commission:** Commission on the Net Profit of the Company will be payable as per recommendations made by the Nomination and Remuneration Committee, subject to the overall remuneration payable to all the Whole Time Directors as prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-

enactment(s) thereof for the time being in force). The available profit will be equally distributed amongst Shri Rakesh Mehra, Chairman and Whole-time Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Jt. Managing Director of the Company.

- (III) Perquisites and Benefits:** In addition to above, the following perquisites not exceeding the overall ceiling as prescribed under Schedule V, annexed to the Companies Act, 2013, will be provided to Shri Rakesh Mehra, Chairman and Whole-time Director:

#### CATEGORY (A)

**a) Housing:**

He will be paid 40% of his basic salary as House Rent Allowance per month or Company may provide lease based accommodation.

**b) Leave Travel Concession**

For self and family once in a year; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of three years.

**c) Club Fees**

Fees of Annual membership fees for maximum 2 clubs as nominee of corporate member except entrance and life membership fees.

#### CATEGORY (B)

In addition to the perquisites, Shri Rakesh Mehra, Chairman and Whole-time Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

**a) Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund/ Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

**b) Gratuity:**

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

**c) Leave:**

Leave and Leave Encashment as per the rules of the Company.

**d) Insurance:** He will be entitled to group Medclaim

insurance policy and group Accidental policy benefits as per policies of the Company.

#### CATEGORY (C)

**a) Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

**b) Telephone**

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

**c) Reimbursement of Expenses**

Apart from the remuneration as aforesaid, Shri Rakesh Mehra, Chairman, shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

**d) Sitting Fee**

No sitting fee shall be paid to Shri Rakesh Mehra, Chairman, for attending the meetings of Board of Directors or any committee thereof.

**e) He shall be liable to retire by rotation.**

Where in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid to Shri Rakesh Mehra, Chairman and Whole-time Director, subject to the applicable provisions of Schedule V to the said Act.

#### Other Terms & Conditions:

a) Shri Rakesh Mehra will perform the duties and exercise the powers, which may be assigned to or vested in him by the Board of Directors of the Company from time to time.

b) Either party i.e. the Company and Shri Rakesh Mehra, Chairman and Whole-time Director, may terminate the agreement by giving the other party three-months prior notice in writing to that effect.

c) If, at any time, Shri Rakesh Mehra ceases to be Director of the Company for any reason whatsoever, he shall also cease to be the Chairman and whole time Director of the Company.

**RESOLVED FURTHER THAT** when in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid/payable to Shri Rakesh Mehra, Chairman and Whole-time Director, subject to the applicable provisions of Schedule V of the Companies Act, 2013.



**RESOLVED FURTHER THAT** the aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof, for the time being in force, or otherwise as may be permissible under the Law.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the agreement between the Company and Shri Rakesh Mehra, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

**6. To re-appoint Shri Ravindra Kumar Toshniwal (DIN: 00106789) as Managing Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as may be applicable,

the consent of the members of the Company, be and is hereby accorded for the re-appointment of Shri Ravindra Kumar Toshniwal (DIN – 00106789) as Managing Director of the Company for a period of 3 Years (Three Years) w.e.f. 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2026 on the terms and conditions including remuneration, as set out below, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits as mentioned in this resolution and as specified under Schedule V of the Companies Act, 2013 and/or any statutory modification(s) or re-enactment(s) thereof:-

- (I) **Basic Salary:** ₹ 11,25,000/- per month, w.e.f. 1<sup>st</sup> January, 2024 which shall be increased every year on 1<sup>st</sup> January by ₹ 1,75,000/- in the scale of ₹ 11,25,000 – 1,75,000 – 14,75,000. The first increase in the above salary will be from 1<sup>st</sup> January, 2025.
- (II) **Commission:** Commission on the Net Profit of the Company will be payable as per recommendations made by the Nomination and Remuneration Committee, subject to the overall remuneration payable to all the Whole Time Directors as prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The available profit will be equally distributed amongst Shri Rakesh Mehra, Chairman and Whole-time Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Jt. Managing Director of the Company.
- (III) **Perquisites and Benefits:** In addition to above, the following perquisites not exceeding the overall ceiling as prescribed under Schedule-V, annexed to the Companies Act, 2013, will be provided to Shri Ravindra Kumar Toshniwal, Managing Director:

**CATEGORY (A)**

- a) **Housing:**  
He will be paid 40% of his basic salary as House Rent Allowance per month or Company may provide lease based accommodation.
- b) **Leave Travel Concession:**  
For self and family once in a year; the total cost to the

Company shall not exceed one month's salary per year or three months' salary in a period of three years.

**c) Club Fees**

Fees of Annual membership fees for maximum 2 clubs as nominee of corporate member except entrance and life membership fees.

**CATEGORY (B)**

In addition to the perquisites, Shri Ravindra Kumar Toshniwal, Managing Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

**a) Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

**b) Gratuity:**

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

**c) Leave:**

Leave and Leave Encashment as per the rules of the Company.

**d) Insurance:** He will be entitled to group Mediclaim insurance policy and group Accidental policy benefits as per policies of the Company.

**CATEGORY (C)**

**a) Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

**b) Telephone**

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

**c) Reimbursement of Expenses**

Apart from the remuneration as aforesaid, Shri Ravindra Kumar Toshniwal, Managing Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

**d) Sitting Fee**

No sitting fee shall be paid to Shri Ravindra Kumar Toshniwal, Managing Director, for attending the

meetings of Board of Directors or any committee thereof.

**e) He shall not be liable to retire by rotation.**

**f)** Where in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid to Shri Ravindra Kumar Toshniwal, Managing Director, subject to the applicable provisions of Schedule V to the said Act.

**Other Terms & Conditions:**

**a)** Shri Ravindra Kumar Toshniwal will perform the duties and exercise the powers, which may be assigned to or vested in him by the Board of Directors of the Company from time to time.

**b)** Either party i.e. the Company and Shri Ravindra Kumar Toshniwal, Managing Director, may terminate the agreement by giving the other party three-months prior notice in writing to that effect.

**c)** If, at any time, Shri Ravindra Kumar Toshniwal ceases to be Director of the Company for any reason whatsoever, he shall also cease to be the Managing Director of the Company

**RESOLVED FURTHER THAT** when in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid/payable to Shri Ravindra Kumar Toshniwal, Managing Director, subject to the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof, for the time being in force, or otherwise as may be permissible under the Law.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the agreement between the Company and Shri Ravindra Kumar Toshniwal, be



suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.

**RESOLVED FURTHER THAT** the Board of Directors, of the Company be and is hereby authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution”.

**7. To re-appoint Shri Shaleen Toshniwal (DIN: 00246432) as Jt. Managing Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Articles of Association of the Company and all other applicable rules, laws and acts (if any) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities while granting such approvals as may be applicable, the consent of the members of the Company, be and is hereby accorded for the re-appointment of Shri Shaleen Toshniwal (DIN – 00246432) as Jt. Managing Director of the Company for a period of 3 Years (Three Years) w.e.f. 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2026 on the terms and conditions including remuneration, as set out below, with liberty to the Board of Directors to alter and vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same not exceeding the limits as mentioned in this resolution and as specified under Schedule V of the Companies Act, 2013 and/or any statutory modification(s) or re-enactment(s) thereof:-

**(I) Basic Salary:** ₹ 10,25,000/- per month, w.e.f. 1<sup>st</sup> January, 2024 which shall be increased every year on 1<sup>st</sup> January by ₹ 1,75,000/- in the scale of ₹ 10,25,000 – 1,75,000 – 13,75,000. The first increase in the above salary will be from 1<sup>st</sup> January, 2025.

**(II) Commission:** Commission on the Net Profit of the Company will be payable as per recommendations made by the Nomination and Remuneration Committee, subject to the overall remuneration payable to all the Whole Time Directors as prescribed under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The available profit will be equally distributed amongst Shri Rakesh Mehra, Chairman and Whole-time Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Jt. Managing Director of the Company.

**(III) Perquisites and Benefits:** In addition to above, the following perquisites not exceeding the overall ceiling as prescribed under Schedule V, annexed to the Companies Act, 2013, will be provided to Shri Shaleen Toshniwal, Jt. Managing Director:

**CATEGORY (A)**

**a) Housing:**

He will be paid 40% of his basic salary as House Rent Allowance per month or Company may provide lease based accommodation.

**b) Leave Travel Concession:**

For self and family once in a year; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of three years.

**c) Club Fees**

Fees of Annual membership fees for maximum 2 clubs as nominee of corporate member except entrance and life membership fees.

**CATEGORY (B)**

In addition to the perquisites, Shri Shaleen Toshniwal, Jt. Managing Director shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

**a) Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund/ Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

- b) Gratuity:**  
Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.
- c) Leave:**  
Leave and Leave Encashment as per the rules of the Company.
- d) Insurance:** He will be entitled to group Mediclaim insurance policy and group Accidental policy benefits as per policies of the Company.

#### CATEGORY (C)

- a) Conveyance**  
Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.
- b) Telephone**  
Free telephone facility at residence. Personal long distance calls shall be billed by the Company.
- c) Reimbursement of Expenses**  
Apart from the remuneration as aforesaid, Shri Shaleen Toshniwal, Jt. Managing Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.
- d) Sitting Fee**  
No sitting fee shall be paid to Shri Shaleen Toshniwal, Jt. Managing Director, for attending the meetings of Board of Directors or any committee thereof.
- e) He shall be liable to retire by rotation.**
- f)** Where in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid to Shri Shaleen Toshniwal, Jt. Managing Director, subject to the applicable provisions of Schedule V to the said Act.

#### Other Terms & Conditions:

- a)** Shri Shaleen Toshniwal will perform the duties and exercise the powers, which may be assigned to or vested in him by the Board of Directors of the Company from time to time.
- b)** Either party i.e. the Company and Shri Shaleen Toshniwal, Jt. Managing Director, may terminate the agreement by giving the other party three-months prior notice in writing to that effect.
- c)** If, at any time, Shri Shaleen Toshniwal ceases to be Director of the Company for any reason whatsoever,

he shall also cease to be the Jt. Managing Director of the Company.

**RESOLVED FURTHER THAT** when in any financial year, the Company has no profits or its profits are inadequate, the aforesaid remuneration including the perquisites shall be paid/payable to Shri Shaleen Toshniwal, Jt. Managing Director, subject to the applicable provisions of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, Section 198 and other applicable provisions of the Act and Rules made thereunder, read with Schedule V of the said Act or any statutory modification(s) or re-enactment thereof, for the time being in force, or otherwise as may be permissible under the Law.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and is hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the agreement between the Company and Shri Shaleen Toshniwal, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.

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

**By order of the Board of Directors**

Sd/-

**H.P.Kharwal**

COMPANY SECRETARY

ACS 28614

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023

#### Registered Office

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

**NOTES:**

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 (the Act) relating to the Special Business to be transacted at the ensuing Annual General Meeting (the Meeting / AGM) is appended hereto. The relevant details as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The proxies, in order to be valid, should be duly completed, stamped and signed and must be lodged at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying Voting rights.

A Member holding more than ten percent of the total share capital of the company carrying Voting Rights may appoint a single person as Proxy for his entire shareholding and such person shall not act as a Proxy for another person or Member.

If a Proxy is appointed for more than fifty Members, he shall choose any fifty Members and confirm the same to the Company before the commencement of specified period for inspection. In case, the Proxy fails to do so, the Company shall consider only the first fifty Proxies received as valid.
3. Institutional Members/Corporate Members (other than individual/HUF/NRI etc.) intending to send their authorized representatives to attend the Meeting, pursuant to Section 113 of the Act are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting. The copy of the said Resolution/Authorization shall be sent to the Scrutinizer/RTA by email through its registered email address at [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in) with a copy marked to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com)
4. The Members/Proxy holders are requested to bring their duly filled Attendance Slip along with their copy of the Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the Meeting, if not already voted through remote e-voting.
6. A Route Map showing the directions to reach the venue of the AGM is given at the end of this Annual Report as per the requirement of the Secretarial Standards-2 on General Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the relevant documents refer to in the Notice of AGM, will be available for inspection by the Members at AGM.
8. With respect to the payment of dividend, the Company provides the facility of remittance of dividend amount electronically through National Automated Clearing House (NACH) to all Shareholders holding shares in demat and physical form. Shareholders holding shares in physical form who wish to avail NACH facility, may submit their bank details viz., Name of the Bank and Branch, their A/c type and Core Banking A/c No. with 9 digit MICR and 11 digit IFSC code along with the copy of cancelled cheque in the prescribed form, which can be obtained from the Company's Registrar & Share Transfer Agent (RTA), Computech Sharecap Limited, (RTA) at 147, Mahatama Gandhi Road, Opp. Jahangir Art Gallery, Fort, Mumbai – 400001, Maharashtra. Requests for payment of dividend through NACH for the year 2022-23 should be lodged with RTA on or before the book closure date.
9. **Green Initiative**

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details. As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details. Physical folios wherein the PAN, KYC, and nomination details were not available on or after 1<sup>st</sup> April, 2023, were to be frozen by the RTA and would be eligible for lodging grievance or any service request only after registering the required details. The said time line of

1<sup>st</sup> April, 2023 for freezing of folios has been extended to 1<sup>st</sup> October, 2023. Any payments including dividend in respect of such frozen folios shall only be made electronically with effect from 1<sup>st</sup> April, 2024, upon registering the required details. The said physical folios shall be referred by the Company or RTA to the administering authority under the Prohibition of Benami Property Transactions Act, 1988 and/or Prevention of Money-Laundering Act, 2002, if they continue to remain frozen as on 31<sup>st</sup> December, 2025. If a Shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, the Shareholder may submit the same in the prescribed form. Shareholders holding shares in demat form who have not furnished nomination nor have submitted declaration for opting out of nomination, are required to register or opt out from nomination, as the case may be, on or before 30<sup>th</sup> September, 2023, failing which their trading accounts shall be frozen for trading and demat account shall be frozen for debits. The Company has sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC, and nomination details.

An electronic copy of the Annual Report 2022-23 along with the Notice are being sent to all those Members whose e-mail addresses are registered with the Company/Depository Participant(s). Members are requested to print the Attendance Slips and submit a duly filled in Attendance Slip at the Registration Counter at the Meeting. For Members who have not registered their e-mail addresses, physical copies of the Annual Report 2022-23 are being sent by the permitted modes. Members may also note that the Notice of the AGM, Attendance Slip and the Annual Report are available on the Company's website [www.banswarasyntex.com](http://www.banswarasyntex.com). The physical copies of the aforesaid documents and the documents referred to in the Notice will also be available at the Company's Registered Office for inspection during normal business hours on working days.

#### 10. **Book Closure and Dividend**

**The Register of Members and Shares Transfer Books of the Company shall remain closed from Sunday, the 30<sup>th</sup> July 2023 to Saturday the 5<sup>th</sup> August, 2023 (both days inclusive)** for the purposes of the AGM and determining the eligibility of the Members entitled to dividend, subject to the approval of the Members at the AGM.

Payment of Dividend, if declared at the Meeting, will be paid to the Members, whose names appear on the Register of Members of the Company as on 29<sup>th</sup> July, 2023. In respect of the shares held in dematerialized form, the Dividend will be paid to Members whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners at the close of business hours on 29<sup>th</sup> July, 2023.

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

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

#### **Unclaimed Dividends**

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

Members are hereby informed that the Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years from the date on which dividend has become due for payment to the Investor Education and Protection Fund (IEPF) established by the Government. Accordingly, during the year, unclaimed dividends amounting ₹ 3,38,364/- pertaining to the financial year 2014-15 has been transferred to IEPF. Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/ unpaid for a period of seven years from the dates they became first due for payment. Any Member, who has not claimed the dividend in respect of the financial year 2015-16 to 2021-22 is requested to approach the Company/ RTA of the Company for claiming the same as early as possible.

(b) Details of Unclaimed Dividends on Website:

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year 2015-16 and subsequent years on the website of Investor Education and Protection Fund, [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Relations" section on the website of the Company at [www.banswarasyntex.com](http://www.banswarasyntex.com)

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

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

11. **Nomination Facility**

As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company's RTA. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

12. **Updation of Members' Details**

Members are requested to notify any change in their address or bank mandate to: (a) their respective

Depository Participants in case of shares held in electronic form; or (b) the Company's RTA, in case of shares held in physical form.

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

14. The Members are requested to submit their queries/requests for clarification, if any, on the Annual Report via e-mail to Shri H P Kharwal, Company Secretary at [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com) latest by Thursday, 27<sup>th</sup> July, 2023, which will enable the Company to furnish replies at the AGM.

15. **Voting through Electronic means**

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

For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting for AGM will be provided by CDSL.

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



## THE INTRUCTIONS OF MEMBERS FOR REMOTE E-VOTING AREAS UNDER

- i) The voting period begins from **9:00 A.M. on Tuesday, the 1<sup>st</sup> August, 2023 and ends at 5:00 P.M. on Friday, the 4<sup>th</sup> August, 2023.** During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Saturday, the **29<sup>th</sup> July, 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the Shareholder shall not be allowed to change it subsequently.
- ii) Members who have already voted prior to the meeting date would not be entitled to vote at the Meeting venue.
- iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020, under Regulation 44 of the Regulations, listed entities are required to provide remote e-voting facility to its Members, in respect of all Shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

Pursuant to the above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>a) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>b) After successful login the Easi /Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. 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> <p>c) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>d) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available at <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>a) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>b) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>c) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

- v) **Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**
- a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b) Click on “Shareholders” module.
  - c) Now enter your User ID

- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- f) If you are a first-time user follow the steps given below:

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

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly

recommended not to share your password with any other person and take utmost care to keep your password confidential.

- viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the EVSN to choose Banswara Syntex Limited to vote.
- x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- XVI. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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

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

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) and on approval of the accounts they would be able to

cast their vote.

- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email ID ; [secretarial@banswarasyntax.com](mailto:secretarial@banswarasyntax.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at [secretarial@banswarasyntax.com](mailto:secretarial@banswarasyntax.com)/[helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in).
  - ii. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
  - iii. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- II. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of the **Saturday, 29<sup>th</sup> July, 2023.**
  - III. CS Mr. Manoj Maheshwari (FCS: 3355), Practising Company Secretary, has been appointed as the Scrutinizer and failing him CS Ms. Sunita Manish Agarwal (FCS: 11024), Practising Company Secretary, as Alternate Scrutinizer, to scrutinize the remote e-voting and polling process to be carried out at this AGM in a fair and transparent manner.
  - IV. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the

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

- V. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.banswarasyntax.com](http://www.banswarasyntax.com) and on the website of CDSL within two working days of passing of the resolutions at the AGM of the Company and communicated to BSE Limited and National Stock Exchange of India Limited.
- VI. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (11.00 A.M. to 1.00 P.M.) on all working days, upto and including the date of the AGM of the Company.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, CDSL, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

**EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item numbers 4, 5, 6 and 7 of the accompanying Notice dated 15<sup>th</sup> May, 2023.

**ITEM NO. 4**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s K.G. Goyal & Co., Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2024.

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

required to be ratified by the members.

The remuneration payable to M/S. K.G. Goyal & Co., Cost Auditors of the Company for conducting the audit of the cost records for the financial year ended 2024 as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 15<sup>th</sup> May, 2023 will not exceed ₹ 2,60,000/- (Rupees Two Lakh Sixty Thousand only) plus applicable taxes and reimbursement out of pocket expenses.

Accordingly, consent of the members is sought, by passing an Ordinary Resolution as set out in Item No. 4 of the accompanying Notice to ratify the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2024.

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

The Board recommends the passing of the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the members of the Company.

#### ITEM NO. 5, 6 & 7

As recommended by the Nomination and Remuneration

Committee, the Board at its meeting held on 15<sup>th</sup> May, 2023 approved the re-appointment of Shri Rakesh Mehra as Chairman & Whole Time Director, Shri Ravindra Kumar Toshniwal as Managing Director and Shri Shaleen Toshniwal as Jt. Managing Director of the Company for further period of three years from 01.01.2024 to 31.12.2026 on terms and conditions enumerated of the resolutions.

Pursuant to Sections 196, 197, 198 and 203 read with schedule V of the Companies Act, 2013, the re-appointment and managerial remuneration of said Managerial personnel, is required to be approved by the members.

It is hereby confirmed that the company has not committed any default in respect of any of its debts or interest payable thereon for continues period of 30 days in the preceding financial year and in the current financial year.

It is submitted that based on the projections, the overall managerial remuneration may exceed the limit specified in Section 197 of the Companies Act, 2013. The members are requested to consider the re-appointment of Shri Rakesh Mehra as Chairman and Whole-time Director, Shri Ravindra Kumar Toshniwal as Managing Director and Shri Shaleen Toshniwal as Jt. Managing Director of the Company.

**Pursuant to clause (iv) of section II of Schedule V of the Companies Act, 2013 the following statement is given**

#### I GENERAL INFORMATION

Sl. No.	Particulars/Subject	Information
1.	Nature of industry	Manufacturing of Textile Products
2.	Date of commencement of commercial production	05 <sup>th</sup> May, 1976
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial performance based on given indicators	In the Financial Year 2022-23, the Company made a turnover of ₹1499 Crore (Gross) and Profit of ₹ 113.21 Crore after tax.
5.	Foreign Investments or collaborators, if any.	No such investment or collaboration except minor shareholding of Non Resident Indians.

#### II INFORMATION ABOUT THE APPOINTEES

Sl. No.	Particulars/Subject	Information		
		Shri Rakesh Mehra, Chairman & Whole Time Director	Shri Ravindra Kumar Toshniwal, Managing Director	Shri Shaleen Toshniwal, Joint Managing Director
1.	Background Details	Shri Rakesh Mehra Aged 65 Years, is a Chartered Accountant, having more than 37 years of experience in the	Shri Ravindra Kumar Toshniwal, aged 60 years, is a B.Tech (Chem.) From IIT, Mumbai. He has completed OPM course of	Shri Shaleen Toshniwal, aged 46 years, is a Bachelor in Business Management from Bentley College, USA and has

		Textile Industry. He has been Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) for two terms. Presently, he is Convener of the MMF Textiles Sub Committee of Confederation of Indian Textile Industry (CITI) and President of Indian Spinners' Association (ISA).	Harvard University, USA. He is having over 35 years' experience in textile industry. He is looking after overall activities of the Company. He has travelled extensively to Europe, USA and other developed countries to promote the products of the Company. He has attracted a number of reputed buyers from all over the world as a result by of which the exports of the Company have increased substantially over the last fifteen years.	over 19 years' experience in the textile industry. He looks after all the five readymade garment units of the Company at Daman and Surat.
2.	Past remuneration	₹ 242.60 Lakhs in FY 2022-23	₹ 149.72 Lakhs in FY 2022-23	₹ 145.59 Lakhs in FY 2022-23
3.	Recognition or awards	N.A.	N.A.	N.A.
4.	Job profile and his suitability	He is Chairman & Whole Time Director of the Company and looking after over all affairs of the Company.	He is Managing Director of the Company and Responsible for the overall activities of the company with an emphasis on export of Fabrics & Garments	He is Jt. Managing Director of the Company and looking after entire readymade garment business of the company.
5.	Remuneration proposed	Salary, perquisites and other terms as fully set out in item no. 5 of the Notice.	Salary, perquisites and other terms as fully set out in item no. 6 of the Notice.	Salary, perquisites and other terms as fully set out in item no. 7 of the Notice.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Yes	Yes	Yes
7.	Pecuniary relationship directly or indirectly with the Company personnel, if any	Except, Shri Rakesh Mehra, Chairman and Whole Time Director, Shri Ravindra Kumar Toshniwal, Managing Director, Shri Shaleen Toshniwal, Jt. Managing Director and Smt. Kavita Soni, Sr. Vice President (CSR) no other director of the Company or relative is having any material pecuniary relationships with the Company.	Except, Shri Rakesh Mehra, Chairman and Whole Time Director, Shri Ravindra Kumar Toshniwal, Managing Director, Shri Shaleen Toshniwal, Jt. Managing Director and Smt. Kavita Soni, Sr. Vice President (CSR) no other director of the Company or relative is having any material pecuniary relationships with the Company.	Except, Shri Rakesh Mehra, Chairman and Whole Time Director, Shri Ravindra Kumar Toshniwal, Managing Director, Shri Shaleen Toshniwal, Jt. Managing Director and Smt. Kavita Soni, Sr. Vice President (CSR) no other director of the Company or relative is having any material pecuniary relationships with the Company.

**III OTHER INFORMATION**

Sl. No.	Particulars/Subject	Information
1.	Reason of loss or inadequate profits	N.A.
2.	Steps taken or proposed to be taken for improvement	N.A.
3.	Expected increase in the productivity and profits in measurable terms	N.A.

**Brief profile of Shri Rakesh Mehra, Chairman and Whole Time Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Jt. Managing Director of the Company including the information required to be furnished under regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India are given below:**

Position/Post	Chairman & Whole-time Director	Managing Director	Joint Managing Director
<b>Name of the Director</b>	<b>Shri Rakesh Mehra</b>	<b>Shri Ravindra Kumar Toshniwal</b>	<b>Shri Shaleen Toshniwal</b>
<b>DIN</b>	00467321	00106789	00246432
<b>Date of Birth / Age</b>	19.11.1957 / 65 Years	01.09.1963 / 60 Years	18.03.1977 / 46 Years
<b>Date of Appointment</b>	23/04/1986	01/08/1987	21/10/2003
<b>Qualification (s)</b>	Fellow Member of The Institute of Chartered Accountants of India.	B.Tech. (Chemical.)	Bachelors in Business Management
<b>Relationships between the Directors inter-se</b>	1. Shri Ravindra Kumar Toshniwal - Brother-in-Law 2. Shri Shaleen Toshniwal – Brother-in-law	1. Shri Rakesh Mehra - Brother-in-Law 2. Shri Shaleen Toshniwal – Brother	1. Shri Rakesh Mehra - Brother-in-Law 2. Shri Ravindra Kumar Toshniwal – Brother
<b>Nature of expertise in specific functional areas</b>	He is Chartered Accountant having 37 years’ experience in the Textile Industry. Ex-Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) and looking after the overall affairs of the company and Automotive Fabric Business.	He is having over 35 years’ experience in textile industry. He is looking after overall activities of the Company with an emphasis on export of fabrics and garments. He has travelled extensively to Europe, USA and other developed countries to promote the products of the Company. He has attracted a number of reputed buyers from all over the world as a result by of which the exports of the Company have increased substantially over the last thirteen years.	He is having over 19 years’ experience in the textile industry. He looks after all the five readymade garment units of the Company at Daman and Surat.
<b>Name(s) of the Companies in which directorship held as on Date.</b>	1. Moonfine Trading Co. Pvt. Ltd. 2. Excel Pack Pvt. Ltd. 3. TESCA Textile & Seat Components (India) Pvt. Ltd. 4. Banswara Syntex Limited	1. Lawson Trading Co. Pvt. Ltd. 2. TESCA Textiles & Seat Components (India) Pvt. Ltd. 3. Banswara Syntex Limited	1. Speed shore Trading Co. Pvt. Ltd. 2. The Synthetic and Rayon Textiles Export Promotion Council



	5. Textile Sector Skill Council 6. Confederation of Indian Textile Industry		3. Banswara Brands Private Limited 4. Banswara Syntax Limited
<b>Membership/ Chairmanship of the Committees of Boards of other companies</b>	NIL	NIL	NIL
<b>No. of Shares held in the Company</b>	12,122 Shares	44,97,334 Shares	42,81,490 Shares
<b>Remuneration Sought to be paid</b>	Salary, perquisites and other terms as fully set out in item no. 5 of the Notice	Salary, perquisites and other terms as fully set out in item no. 6 of the Notice	Salary, perquisites and other terms as fully set out in item no. 7 of the Notice
<b>Last drawn Remuneration</b>	₹ 242.60 Lakh in FY 2022-23	₹ 149.72 Lakh in FY 2022-23	₹ 145.59 Lakh in FY 2022-23
<b>Terms &amp; Conditions of re-appointment</b>	As per Resolution set out in the Item No. 5 of the Notice	As per Resolution set out in the Item No. 6 of the Notice	As per Resolution set out in the Item No. 7 of the Notice
<b>The number of meetings of the Board attended during the year (2022-23)</b>	4 (Four)	4 (Four)	4 (Four)

In view of increased role and responsibility and contribution made by Shri Rakesh Mehra, Shri Ravindra Kumar Toshniwal and Shri Shaleen Toshniwal, the Board recommends the Special Resolution set out in the Item No.5, 6&7 for the approval of the shareholders of the Company.

Shri Rakesh Mehra, Shri Ravindra Kumar Toshniwal, Shri Shaleen Toshniwal and Smt. Kavita Soni, Sr. Vice President (CSR) (being related to each other) are interested in the resolutions set out at Item No. 5, 6 & 7 of the Notice.

Save and except the above, none of the Directors or Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 5, 6 & 7 of the Notice.

**By order of the Board of Directors**

Sd/-

**H.P. KHARWAL**

COMPANY SECRETARY  
ACS 28614

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023

**Registered Office**

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



## **Board's Report**

## BOARD'S REPORT

### To The Members,

Your Directors are pleased to present the 47<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2023.

### FINANCIAL RESULTS

The summary of financial performance of the Company for the year ended 31<sup>st</sup> March, 2023 is furnished hereunder:-

(₹ in Lakhs except EPS)

Particulars	Current year 2022-23	Previous year 2021-22
Revenue from Operations	149,878	118,977
Other Income	1,459	1967
Total Revenue	151,337	120,944
Profit before Interest, Depreciation & Tax (PBIDT)	21271	13,867
Less: Interest	3174	2,479
Profit Before Depreciation and ax(PBDT)	18097	11,388
Less: Depreciation	4078	4,186
<b>Profit before Tax</b>	<b>14019</b>	<b>7,202</b>
Tax Expenses	2878	2,528
<b>Profit after Tax</b>	<b>11,141</b>	<b>4,674</b>
Other Comprehensive Income (Net of Tax)	179	(139)
Total Comprehensive Income	11,321	4,534
Dividend on Equity Shares	1027	428
<b>Earnings per share (Rs.) : Basic</b>	<b>32.55</b>	<b>13.65</b>
<b>Diluted</b>	<b>32.55</b>	<b>13.65</b>

### OPERATIONS AND STATE OF AFFAIRS

During the year under review, production of yarn was 306 Lakh kilograms as against 297 Lakh kilograms of in the year 2021-22 which shows a slight increase of 3% as compared to previous year. Production of fabrics was 309 Lakh meters as against 249 Lakh meters last year, which represent an increase of 24% over the period. Production of garments was 42 Lakh pieces registered an impressive growth of 47%. over 29 Lakh pieces last year

Your Company's income from operations has increased by 26% from ₹ 1190 crore in 2021-22 to ₹ 1499 crore during the year 2022-23.

The profit before interest, depreciation and tax (PBIDT) during 2022-23 is ₹ 213 crore as against ₹ 139 crore during 2021-22.

The profit before depreciation and tax (PBDT) increased from ₹ 114 crores in 2021-22 to ₹ 181 crores during 2022-23.

The Company earned Net Profit of ₹ 113 crores as against ₹ 45 crores in 2021-22.

The basic and diluted EPS for the year 2022-23 works out to ₹ 32.55 as against ₹ 13.65 for the last year 2021-22.

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

The Company has prepared its Financial Statements as per applicable provisions of IND-AS (Indian Accounting Standards) for the year 2022-23.

### MATERIAL CHANGES AFFECTING THE COMPANY

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

### CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company during the year under review.

### EXPORTS

During the year under review, the export turnover of the Company has improved from ₹ 539 crores in last year 2021-22 to ₹ 725 crore during the year under review. The share of export turnover in the net income for the year 2022-23, has been 48% (previous year 45%) of the total turnover.

### DIVIDEND

Your Directors are pleased to recommend dividend of ₹ 3 per equity share of ₹ 5 each i.e. 60% (previous year ₹ 2.50 per equity share of ₹ 10 each) for the financial year 2022-23. The total dividend payout on equity shares for the year, if approved by the Shareholders, will be ₹ 10.27 Crore (previous year ₹ 4.28 Crore).

The Company has transferred amount of unclaimed dividends up to the year 2014-15 to the Investors Education and Protection Fund (IEPF).

### TRANSFERTO RESERVES

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

### SHARE CAPITAL

There has been no change in share capital of the Company during the year 2022-23. The paid-up equity share capital as on 31<sup>st</sup> March, 2023 was ₹ 17,11,60,420 (Rupees Seventeen Crore Eleven Lakh Sixty Thousand Four Hundred and Twenty) divided into 3,42,32,084 equity shares of ₹ 5 each. During the year under review the company has split its one equity share of ₹ 10 each into 2 equity shares of ₹ 5 each in its 46<sup>th</sup> AGM held on 30<sup>th</sup> July, 2022.

## EXPANSION, DIVERSIFICATION AND MODERNIZATION

During the year under review, the Company invested ₹ 96.95 Crore (previous year- ₹ 22.49 Crore) for modernization of its production capacities. The capital-work-in-progress at ₹ 21.91 Crore (previous year ₹ 28.93 Crore) and advances to capital goods suppliers aggregated ₹ 21.54 Crore (previous year ₹ 8.36 Crore) at the end of the period.

The total production capacity of the Company as at 31<sup>st</sup> March, 2023 for yarn is 149208 ring spindles, including 14880 spindles for worsted yarn spinning and 160 Air Jet spindles, 397 shuttle less looms including 32 Air Jet jacquard looms, 9 stenters with processing capacity of 4.5 million meters per month and manufacturing capacity of 4.10 Lakh pieces of garments per month.

## SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES COMPANIES

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

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

### Subsidiary

The Company has incorporated a wholly owned subsidiary Company viz Banswara Brands Private Limited during the year and invested ₹ 26 lakhs in the equity share of wholly owned subsidiary company.

During the year under review, total income of the company was ₹ 0.32 lakhs and net loss after tax was ₹ 53.01 lakhs.

### Associates

The Company had no Associate Company during the year.

### Joint Venture

Your Company holds 40.64% of the paid-up share capital of Joint Venture Company Tesca Textiles and Seat Components (India) Private Ltd. Out of the balance 59.36% of the share capital, 50.79% of is held by TESCA Group, France and 8.57%

by Kolon Glotech India Private limited. During the year, your Company has invested ₹ 88.90 Lakhs in rights issue of equity shares of the Joint Venture Company.

During the year, the production of Laminated Fabric (Including Vinyl fabrics) has increased from 28.29 Lakh Mtrs in 2021-22 to 34.21 Lakh Mtrs in 2022-23, up by 20.92%. The Company has also produced 15,99,429 Pcs of Embossing Panel in 2022-23 as against 10,64,905 Pcs. in 2021-22 which depict the increase of 50.19%.

Total turnover of Joint Venture Company has increased from ₹ 7610 lakhs in previous year to ₹ 10,034 Lakhs during the year. It made Net profit after tax of ₹ 447 Lakhs in 2022-23 as against Net Loss of ₹ 283 Lakhs in 2021-22.

## CONSOLIDATED FINANCIAL STATEMENTS

In accordance with IND-AS 110 on Consolidated Financial Statements read with IND-AS 28 on Accounting for Investments in Associates & Joint Ventures and also as per Section 129 of the Act, the audited Consolidated Financial Statements are furnished in this Report.

## THERMAL POWER PLANT

Your Company has two captive Thermal Power Plant of 33 Mega Watt capacity and both units of the Captive Thermal Power Plant (33 MW) are working satisfactorily. During the year, Your Company is meeting its requirements of coal from domestic sources as well as through imports.

## FINANCE

During the year under review, your Company obtained disbursements of loans aggregating ₹ 6190 Lakh for acquisition of fixed assets and meeting working capital requirements from various Banks. The Company has repaid term loan of ₹ 4281 Lakh during the year 2022-23.

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## CORPORATE GOVERNANCE

The Company has complied with the mandatory provisions of Corporate Governance requirements as stipulated under the SEBI Listing Regulations. A separate report on Corporate

Governance along with the requisite certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance is annexed to this Report as **Annexure III**, which forms part of this Report.

### FIXED DEPOSITS

As per provisions of the Act, the Company accepts fixed deposits from members of the Company as approved by the Shareholders in their meeting held on 27<sup>th</sup> August, 2016. During the year under review, the Company accepted deposits aggregating ₹ 4.41 Crore, made repayments of ₹ 1.46 Crore and had outstanding deposits aggregating ₹ 24.34 Crore as on 31<sup>st</sup> March, 2023 as against the Deposits of ₹ 21.39 Crore at the beginning of the year. The maximum deposit held during the year was ₹ 26.72 Crore. There has been no default in repayment of deposits or payment of interest there on. No deposit was unclaimed or matured but not paid as on 31<sup>st</sup> March, 2023. The Company has duly complied with the provisions of the Companies (Acceptance of Deposits) Rules, 2014.

The Company has obtained Credit Rating for Fixed Deposits from India Ratings and Research Limited and also opened the Fixed Deposits Repayment Reserve Account with a scheduled bank for fixed deposits maturing during the financial year 2023-24.

### CORPORATE SOCIAL RESPONSIBILITY

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

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

### RISK MANAGEMENT

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

### INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

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

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

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

## VIGIL MECHANISM / WHISTLEBLOWER POLICY

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

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

## DISCLOSURE UNDER THE SEXUAL HARASSMENT ACT, 2013

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

An Internal Complaints Committee(s) has been set up in compliance with the POSH Act. During the year under review, no complaints were received by the company.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Director Retirement by rotation:

Shri Shaleen Toshniwal (DIN: 00246432), Whole-time Director of the Company, is liable to retire by rotation at the ensuing AGM pursuant to the provisions of Section 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

### Re-Appointment

The Board recommends the re-appointments of Shri Rakesh Mehra, Chairman and Whole - time Director, Shri Ravindra Kumar Toshniwal, Managing Director and Shri Shaleen Toshniwal, Joint Managing Director of the Company in ensuing AGM as Special Resolutions for a period of 3 year (Three years) w.e.f. 1<sup>st</sup> January 2024 to 31<sup>st</sup> December 2026 on terms and conditions including remuneration, as set out in the notice of AGM of the Company.

A brief profile of all three Whole time Directors, together with other related information required under Regulation 36 of

the SEBI Listing Regulations and Secretarial Standard-2, has been furnished in the Notice convening the 47<sup>th</sup> AGM of your Company.

## Key Managerial Personnel

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

- i. Shri Rakesh Mehra, Chairman and Whole -time Director;
- ii. Shri Ravindra Kumar Toshniwal, Managing Director;
- iii. Shri Shaleen Toshniwal, Joint Managing Director;
- iv. Shri Pankaj Gharat, Chief Financial Officer (w.e.f. 3<sup>rd</sup> May, 2022 to 28<sup>th</sup> Feb., 2023)
- v. Ms. Kavita Gandhi, Chief Financial Officer (w.e.f. 15<sup>th</sup> May, 2023)
- vi. Shri H. P. Kharwal, Company Secretary

The Board has taken on record resignation of Shri Pankaj Gharat from the post of KMP of the Company and welcomed Ms Kavita Gandhi of her joining to the Company.

## Declaration of Independent Directors

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

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

## Board Evaluation

Pursuant to the provisions of Section 134 of the Act and SEBI's Listing Regulations, the Board has adopted a procedure for formal performance evaluation of the Board, its Committees and Individual Directors including the Chairman and Executive Directors. The exercise was carried out during the



year through a structured evaluation process starting with a questionnaire sent to all Directors covering all aspects of the working of the Board, its Committees and individual directors followed by deliberations as in the following paragraph.

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

### **Nomination and Remuneration Policy**

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

### **Familiarization Program of the Independent Directors**

Two Familiarization programs for the Independent Directors were conducted during the year 2022-23, the details of which are hosted on the website of the Company at [www.banswarasyntax.com/wp-content/uploads/2023/05/Fam\\_Prg\\_ID\\_2023.pdf](http://www.banswarasyntax.com/wp-content/uploads/2023/05/Fam_Prg_ID_2023.pdf)

### **RELATED PARTY TRANSACTIONS**

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

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

The revised policy on Related Party Transactions

as approved by the Board is available on the Company's website at [www.banswarasyntax.com/wp-content/uploads/2022/06/REL\\_PTY\\_TRN\\_POLICY\\_REV.pdf](http://www.banswarasyntax.com/wp-content/uploads/2022/06/REL_PTY_TRN_POLICY_REV.pdf)

### **NUMBER OF THE BOARD MEETINGS**

During the year under review, four meetings of the Board of Directors were held i.e. on 3<sup>rd</sup> May, 2022, 31<sup>st</sup> July, 2022, 11<sup>th</sup> November, 2022 and 13<sup>th</sup> February, 2023. Details of the composition of the Board and its Committees, number of meetings held and attendance of Directors at such meeting(s) are provided in the Corporate Governance Report, which forms part of this Report.

### **INDEPENDENT DIRECTORS' MEETING**

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

During the year under review, Independent Directors met separately on 3<sup>rd</sup> May, 2022, inter-alia, for

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

### **AUDITORS**

#### **Statutory Auditors**

K G Somani & Co LLP, Chartered Accountants (ICAI Firm Registration No. 06591N/N500377) were re-appointed as Statutory Auditors of the Company to hold office for the second term of five consecutive years by the shareholders at their 46<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> July, 2022 from the conclusion of the 46<sup>th</sup> Annual General Meeting, till the conclusion of 51<sup>st</sup> Annual General Meeting to be held in the calendar year 2027. They have furnished a Certificate to the effect that they fulfill the requirements of the provisions of Sections 139 and 141 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014.

The Auditors' Report on the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Auditors' Report is

enclosed with the Financial Statements forming part of the Annual Report.

As regards the Statutory Auditors' observations, the relevant Notes on Significant Accounting Policies, Notes on Accounts and other disclosures are self-explanatory and, therefore, do not call for any further comments except (i) in the matter of non-payment of Custom Duty of ₹ 375.19 lakhs for which the matter is under appeal before CESTAT, Ahmedabad, and at Rajasthan High Court, Jodhpur, (ii) non-payment of Income Tax of ₹ 1552.32 Lakhs for which the matter is under appeal with CIT (Appeals), Udaipur and (iii) for non-payment of electricity ₹ 13.6 Lakhs. These liabilities will be met, if necessary, on final decision of the respective Appellate Authorities.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of the Listing Regulations, your Board has appointed M/s. V.M. & Associates, Company Secretaries (FRN: P1984RJ039200), Jaipur as the Secretarial Auditors to conduct the Secretarial Audit of the Company for the financial year 2022-23.

The Board in its meeting dated 15<sup>th</sup> May, 2023 has re-appointed M/s. V.M. & Associates, Company Secretaries as Secretarial Auditor of the Company to carry out Secretarial Audit of the Company for the financial year 2023-24.

The Secretarial Audit Report is issued in Form MR-3 by M/s. V.M. & Associates, Company Secretaries, in respect of the Secretarial Audit of the Company for the financial year ended on 31<sup>st</sup> March, 2023. The Secretarial Audit Report contains the following qualification:

#### Qualification

We report that Independent Director Mr. David Vlerick (DIN:07679476), is not registered with Independent Directors Data Bank created by MCA and Indian Institute of Corporate Affairs (IICA).

#### Management Response

We are trying to register him at Independent Directors Data Bank since last year but due to technical error, it could not get registered.

The Secretarial Audit Report issued in form MR-3 is annexed as **"Annexure-VI"**

### Cost Auditors

The Company is required to maintain cost records as specified by the Central Government as per Section 148(1) of the Act

and the rules framed thereunder, accordingly, the Company has maintained such cost accounts and records.

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

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

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

### REPORTING OF FRAUDS BY AUDITORS

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

### TAX AUDITORS

As per the requirement of Section 44AB of the Income Tax Act, 1961 M/S. CBV & ASSOCIATES LLP, Chartered Accountants (Registration No. W100636), Mumbai, have been appointed as Tax Auditor for the financial year 2023-24 and their remuneration fixed as per the recommendation of the Audit Committee.

### PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

During the year under review, the Company has not granted any loans or provided any guarantees to or invested in securities except ₹ 88.90 Lakhs invested in equity shares of Joint Venture Company.

During the year, The Company has invested ₹ 26 Lakhs in equity shares of Banswara Brands Private Limited, wholly owned subsidiary company, and extended loan of ₹ 71 Lakh for operation of business activities.

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

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

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

### **INSURANCE**

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

### **RELATIONS**

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

### **PARTICULARS OF EMPLOYEES**

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

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under 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, forming part of this Report is open for inspection by the members through electronic mode and available at AGM. Any member interested in obtaining a copy of the same may write to the Company Secretary at the email ID [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com)

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

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

### **ANNUAL RETURN**

An Annual Return for the financial year ended 31<sup>st</sup> March, 2023 as required under Section 92(3) of the Companies Act, 2013, has been posted on website of the Company

and can be accessed at [www.banswarasyntex.com/wp-content/uploads/2023/07/Form\\_MGT\\_7\\_202223.pdf](http://www.banswarasyntex.com/wp-content/uploads/2023/07/Form_MGT_7_202223.pdf)

### **SECRETARIAL STANDARDS**

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

### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2023, the applicable Accounting Standards have been followed and there are no material departures from the same.
- (b) The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and of the profit of the Company for the year ended on that date.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- (d) The Directors have prepared the annual accounts of the Company for the year on a going concern basis.
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and have been operating effectively.
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and have been operating effectively.

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

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

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

During the year under review, the Company has not entered into any one-time settlement and therefore, no disclosure in this regards is required.

### OTHER DISCLOSURES

Any other disclosure under the Companies Act, 2013 and the rules notified thereunder or the SEBI Listing Regulations are either NIL or NOT APPLICABLE.

### Acknowledgements

Your Directors wish to express their gratitude for the guidance and co-operation received from the Financial

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

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

Sd/-

**Rakesh Mehra**

Chairman

DIN: 00467321

Place: Mumbai

Date: 15<sup>th</sup> May, 2023

### Registered Office

Industrial Area, Dahod Road,

Post Box No. 21,

Banswara-327001

Rajasthan

### Annexure - I to the Directors' Report

#### FORM AOC - 1

(Pursuant to first proviso to sub section (3) of Section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of the financial Statement of the subsidiaries/associates companies/joint ventures.

#### Part "A" Subsidiaries

Statement pursuant to sub section (3) of Section 129 of the Companies Act, 2013 related to Subsidiary Company.

(₹ in Lakhs)

S. No.	Particulars of Subsidiary	Banswara Brands Private Ltd
1	The date since when subsidiary was acquired	23/08/2022
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same Holding Company
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share capital	₹ 26.00
5	Reserves and surplus	₹ (53.01)
6	Total assets	₹ 72.39
7	Total Liabilities	₹ 99.40
8	Investments	0.00
9	Turnover	₹ 0.32
10	Profit/(Loss) before taxation	₹ (70.40)
11	Provision for taxation	₹ 17.39
12	Profit (Loss) after taxation	₹ (53.01)
13	Proposed Dividend	0.00
14	Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations:- **NIL**
- Names of subsidiaries which have been liquidated or sold during the year:- **NIL**

**Part “B” Associates and Joint Ventures**

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

Name of the Joint Ventures	Tesca Textiles & Seat Components (India) Pvt. Ltd. (Joint Venture Company)
1. Latest Audited Balance Sheet date	31/03/2023
2. Date on which the Associate/ Joint Ventures was associated or acquired	20/01/2012
3. Shares of Associate/ Joint Ventures held by the Company on the year end (in Numbers)	34,13,802
Amount of Investment in Associates/ Joint Ventures	₹ 554.90
Extend of Holding %	40.64%
4. Description of how there is significant influence	In Joint venture, company holds 40.64% of voting rights/share capital
5. Reason why the associate/ Joint Venture is not consolidated	N.A.
6. Net worth attributable to shareholding as per latest Audited Balance Sheet	₹ 616.04
7. Profit/ Loss for the year	₹ 447.31
i. Considered in Consolidation	₹ 185.99
ii. Not Considered in Consolidation	NIL

- Names of associates or joint ventures which are yet to commence operations.: -NIL
- Names of associates or joint ventures which have been liquidated or sold during the year.: -NIL

**For K G Somani & Co LLP**

Chartered Accountants  
FRN – 06591N/N500377  
Sd/-

**Vinod Kumar Somani**

Partner  
M.No.085277  
Date: 15/05/2023  
Place: New Delhi

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

Sd/-

**Rakesh Mehra**

DIN : 00467321  
Chairman

Sd/-

**P. Kumar**

DIN : 00179074  
Chairman(Audit Committee)

Sd/-

**Kavita Gandhi**

Chief Financial Officer  
Date :15/05/2023  
Place: Mumbai

Sd/-

**Ravindra Kumar Toshniwal**

DIN : 00106789  
Managing Director

Sd/-

**Shaleen Toshniwal**

DIN : 00246432  
Jt. Managing Director

Sd/-

**H.P. Kharwal**

Company Secretary  
ACS28614



## Annexure-II to Directors' Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### INTRODUCTION

India's textile industry plays a vital role in the country's economy and export sector. It encompasses a wide range of activities, from traditional hand weaving to modern textile mills, and is anticipated to experience significant growth in the foreseeable future. India has earned a reputation as a prominent manufacturing hub for textiles and apparel due to its rich textile heritage, skilled craftsmanship, and cost-effective labour. As the sixth-largest exporter of textiles and apparels worldwide, India's technical textiles segment alone is valued at approximately USD 16 Billion, constituting around 6% of the global market.

Notably, India is the second-largest producer of man-made fibre (MMF) globally, trailing only behind China. Key export destinations for Indian textiles and apparel include the United States, European Union (EU-27), and the United Kingdom, accounting for roughly 50% of India's exports in this sector. In terms of global trade in textiles and apparel, India holds a 4.6% share. The industry also offers significant employment opportunities, directly employing over 45 million people and providing jobs for approximately 100 million individuals in related industries. Projections indicate that the Indian textile industry's market size is estimated to reach USD 190 Billion by 2025-26, a substantial increase from USD 99 Billion in 2021-22.

#### DRIVING FORCES

The growth of the Indian textile industry is being propelled by multiple factors. These include a notable increase in the demand for natural fibres, the growing adoption of digital textile printing, the availability of raw materials and a skilled workforce, favourable demographics, and extensive government support. Demographic factors, such as a rising youth population, increasing disposable incomes, rapid urbanization, and improving standards of living, are contributing to the industry's success. Additionally, the industry is benefiting from the trend of omnichannel retailing in the apparel and textile sector, with online sales anticipated to play a significant role in the industry's future growth.

The Ministry of Textiles is actively promoting private sector engagement in the industry's advancement through different Public-Private Partnership initiatives. Moreover, there is a notable transition occurring within the industry towards sustainable resources, driven by increasing consumer preferences for environmentally friendly options. Key market players are also embracing emerging technologies and cutting-edge equipment to enhance efficiency and productivity in the coming years.

#### GOVERNMENT INITIATIVES

The Indian Government is proactively engaged in promoting the expansion and progress of the textile sector in the country through the implementation of various impactful schemes. These initiatives include the Production Linked Incentive (PLI) Scheme, the Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme, Make in India, Mega Textile Parks Development, and the National Technical Textiles Mission, among others. These schemes are designed to facilitate and incentivize investments in the textile industry. Moreover, the Government's ongoing efforts to enhance the ease of doing business by reducing compliance burdens and costs will attract foreign investments, thereby further benefiting the textile sector.

- The **Scheme for Capacity Building in Textile Sector (SAMARTH)** was created to meet the proficient workforce needs of the textile industry. The scheme was developed in line with the Skill India initiative and aligned with the Ministry of Skill Development and Entrepreneurship's skilling programme framework. The implementation of SAMARTH has been approved until March 2024.
- The **Amended Technology Upgradation Fund Scheme (ATUFS)** was launched in January 2016 to promote ease of doing business in India, generate employment, and encourage exports through the Make in India initiative. The scheme provides a credit-linked Capital Investment Subsidy (CIS) to units in the textile sector (excluding spinning) for the purchase of benchmarked machinery. The goal is to achieve 'Zero effect and Zero defect' in manufacturing.
- The **Pradhan Mantri Mega Integrated Textile Region and Apparel (PM MITRA)** Scheme was approved by the Indian Government to establish seven textile parks in greenfield and brownfield sites with an outlay of ₹ 44.45 Billion over a period of seven years, up to 2027-28. The goal of PM MITRA is to enhance the competitiveness of the Indian textile

industry, attract significant investment, and boost employment generation. The most recent edition of the scheme aims to build a total of 65 textile parks in India.

- The **Production Linked Incentive (PLI) Scheme** has been introduced to promote the production of MMF apparel, MMF fabrics, and technical textile products in India. The goal of the scheme is to create 60-70 global players, attract fresh investment of approximately ₹ 190 Billion, and generate almost 750,000 new employment opportunities in the country.
- The **Rebate of State and Central Taxes and Levies (RoSCTL)** has been approved by the Indian Government for the extension of its implementation until March 31, 2024. The rates applicable to apparel/garments, and made-up exports will remain unchanged, as issued by the Ministry of Textiles. This decision aims to provide a tax rebate on outbound shipments to garment exporters, thereby boosting the competitiveness of the labour-intensive textile industry.
- **Free Trade Agreement:** The IndAUS ECTA is expected to boost India's textile and apparel exports significantly, with projections indicating an increase to USD 1100 Million within the next three years. This agreement is poised to positively impact the Indian textile industry by facilitating increased trade between India and Australia.

### Industry Outlook

- The outlook for the Indian textile industry seems promising, with strong growth prospects in both domestic consumption and export demand. The industry is anticipated to experience robust growth, driven by robust domestic consumption, growing export demand, and the rapid digitisation of consumers and brands post-Covid-19 pandemic. Over the past decade, the retail sector has undergone rapid progress due to increasing consumerism and disposable income. This growth has been further fuelled by the entry of various international players into the Indian market.
- The China+1 strategy presents a significant opportunity for the Indian textile industry to regain its position as a top exporting economy. With the domestic economy improving and exports increasing, the industry is expected to experience substantial growth in domestic production to meet the rising demand. As a result, capital expenditures and investments in the sector are projected to increase, leading to an improvement in productivity and industry competitiveness. India's favourable demographics and industry dynamics further enable the country to establish itself as a global textile hub.

### RISKS & CONCERNS

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

### CORE BUSINESS AND PRODUCTS

The core business of the Company is manufacturing and marketing of spun synthetic blended yarn, wool and wool mix yarn, spun synthetic and worsted fabrics and cotton & linen fabrics besides readymade garments. The Company also produces shirting and technical fabrics. Tesca Textiles and Seats Components (India) Private Limited, the Joint venture Company, is producing automotive fabrics.

### OUTLOOK

Your Company's future growth is built on two parallel growth drivers viz., domestic consumption of fabrics & garments and large global opportunities in textiles and clothing. Given the opportunity that textile as a sector is presenting, we are looking to steer the company in the direction of growth and achieving larger scale of business. Keeping this in mind we are strengthening our leadership team within the organisation. In line with our future growth plans, the promoters and the board have collectively started tracking the business from 3 divisions perspective – namely, Yarn, Fabric and Garments. This strategic move aims to improve realizations and enhance the internal performance of each segment. We have appointed three separate business unit heads for our yarn, fabrics, and garment divisions.

**PROFESSIONAL MANAGEMENT TEAM****CFO:**

Ms Kavita Gandhi has been appointed as our CFO. She is a Chartered Accountant and has over 30 years of experience in the field of Accounts, Taxation, and Finance.

**YARN DIVISION:**

Mr. Vireshwar Joshi will head the yarn division. He is B. Text. (Engg.) with MBA (Finance and Marketing), DCA (Computer Application) and he has 30 years of experience in the textile industry across various companies in India, Nigeria and Uganda. He has demonstrated ability to manage large scale manufacturing operations with a focus on improving efficiency and productivity.

**FABRIC DIVISION:**

Mr Shailendra Pandey will head the fabrics division. He is M.Sc. in Textile Chemistry and has done MBA in Productions and Operations. He holds over 27 years of experience in the textile manufacturing industry including P/V Suiting, automotive textiles, worsted fabric, and home furnishing.

**GARMENT DIVISION:**

The garments division will be headed by Mr Rahul Bhaduria. He is a graduate in Garment Manufacturing Technology from NIFT and has over 24 years of experience in the industry.

**CHIEF TECHNOLOGY OFFICER**

To further strengthen our core leadership team, we have on board Mr Devendra Pratap Misra, Chief Technology Officer. He has over 29 years of experience in the field of IT with specialization in SAP, ISO/QMS, EMS, TQM and 5S. He holds a MSc in Math; MCA and he is an LLB.

**CHIEF INTERNAL AUDITOR**

Internal Audit function is led by Mr. Yugal Kishore Agarwal Chief Internal Auditor. He is vastly experienced in the entire gamut of Internal Audit, Investigations and Controls.

**HUMAN RESOURCE**

Mr Swapnil Shrivastava is our DGM for Corporate Human Resources. He has over 15 years of experience across all domains of HR such as recruitments, HR/IR systems and audit, HRIS implementations, HR strategy and Policy designing.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE AND INTERNAL CONTROL SYSTEMS & ADEQUACY**

The operating performance of the Company has been detailed in the Directors' Report under the heads 'Financial Statements and Operations and State of Affairs'.

During the year that went by, in the wake of the pandemic, the West and EU have adopted a China+1 strategy, leading to a decline in demand for textiles produced in China. Consequently, India has emerged as one of the favourable destinations for textile manufacturing outside of China. India's share in the textile market is projected to increase in the coming years, with textile exports from India expected to reach approximately ~20 billion. Recognizing this trend, the Indian Government has introduced initiatives such as the PLI scheme for textiles and the PM MITRA initiative. As part of these efforts, the establishment of 7 mega textile parks in India, with a combined investment of ₹ 70,000 crores, will further incentivize manufacturing and boost exports. We have observed a rise in demand for our textiles from global customers because of these developments. Hence, the future of the textile industry in India appears promising.

The profit before interest, depreciation, and tax (PBITD) during 2022-23 has been ₹ 213 crore as against ₹ 139 crore during 2021-22. The profit before depreciation and tax (PBDT) has been ₹ 181 crore as against ₹ 114 crore during 2021-22. The Net Profit earned during the year is ₹ 113.21 Crores as against ₹ 45.35 crores in 2021-22. The export sales contribution increased from 45% in FY22 to 48% in FY23 showing an increase of 35% whereas the domestic sales increased by 19%.

The major reasons behind the same are a) Low base effect as 2 quarters of FY 21-22 were impacted by COVID and hence, demand was lower. b) Pent up demand in FY23, once normal life returned post covid. c) The Garment increase of 143% in Export and 58% in Domestic was on account of larger orders from international brands.

A detailed note on internal control systems and adequacy has been mentioned in the Board's Report.

### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

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

#### Key Ratios

Particulars	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	Changes in %
Current Ratio	1.53	1.49	2.91
Debt-Equity Ratio	0.73	0.65	12.18
Interest Coverage Ratio	2.41	1.72	40.22
Operating Profit Margin Ratio	0.10	0.06	62.00
Inventory turnover ratio	5.06	5.01	0.93
Debtors turnover ratio	8.85	9.86	(10.21)
Net profit margin ratio	0.07	0.04	89.23
Return on Net Worth	0.19	0.14	35.45

Please refer to Note No. 54 of Standalone Financial Statement for the reason of more than 25% variance.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND INDUSTRIAL RELATIONS

FY 2022-23 has been an exceptionally good year for the company performance wise, and HR function played their part in providing the resources across the divisions. Below is a staff count difference between March 2022 and March 2023

Location	March 2022	March 2023
Banswara	1,017	990
Daman	205	255
Mumbai	94	110
Surat	121	145
<b>TOTAL</b>	<b>1,437</b>	<b>1,500</b>

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

Over the year, many new HR initiatives have been implemented. One of the key activities carried out during the year was Organization Restructuring, with a view of divisional segmentation, with each division being professionally managed by a dedicated Business Head, who shall be responsible for the performance of the entire division. Additionally, all the common functions will be managed by other senior officials. Hiring of the senior officials – “CFO” and “Business Head, Yarns”, carried out, joining us in Q1 of FY 2023-24.

### CAUTIONARY STATEMENTS

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

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

Sd/-

**Rakesh Mehra**

Chairman

DIN: 00467321

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023

## Annexure- III to the Directors' Report

### CORPORATE GOVERNANCE REPORT

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

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

#### 1. COMPANY'S PHILOSOPHY

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

#### 2. BOARD OF DIRECTORS

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

All of the Independent Directors are eminent professionals from diverse background with vast experience in business, industry, finance and public enterprises; they are free from any business or other relationship, which could materially interfere with the exercise of their independent judgment.

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

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

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

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

- **Executive Directors (EDs)**

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

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

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



**a. Composition of the Board of Directors as on 31<sup>st</sup> March, 2023 and attendance at the Board meetings during financial year 2022-23**

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

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

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

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

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

**c. Meetings of the Board**

During the year under review, four Board Meetings were held on the following dates: 3<sup>rd</sup> May, 2022, 31<sup>st</sup> July, 2022, 11<sup>th</sup> November, 2022 and 13<sup>th</sup> February, 2023.

**d. Board Procedure**

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

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

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

**e. Board Agenda:**

The Meetings are governed by a structured Agenda but a Board Member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board Members at least 7 days in advance. In addition, for any business exigencies the resolutions are passed by circulation and later placed at the subsequent Board or Committee Meeting for ratification/ approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

**f. Invitees & Proceedings:**

Apart from the Board Members, Chief Financial Officer, Company Secretary, all the Business Heads are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the matters being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget.

**g. Support and Role of Company Secretary:**

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of agenda and other documents and recording of the minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

**h. Shareholdings of Directors as on 31<sup>st</sup> March, 2023**

<b>Name of the Director</b>	<b>Number of shares</b>
Shri Rakesh Mehra	12,132
Shri Ravindra Kumar Toshniwal	44,97,334
Shri Shaleen Toshniwal	42,81,490
Shri Devendra Pal Garg	1,000
Shri Vijay Mehta	1,000
Shri Jagdeesh Mal Mehta	410

**i. Familiarization programme for Independent Directors**

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

The details of Familiarization Programmes imparted to Independent Directors are furnished on the Company's website viz: [www.banswarasyntax.com/wp-content/uploads/2023/05/Fam\\_Prg\\_ID\\_2023.pdf](http://www.banswarasyntax.com/wp-content/uploads/2023/05/Fam_Prg_ID_2023.pdf)

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

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

**3. COMMITTEES OF THE BOARD**

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

The Minutes of proceedings of Committee meetings are circulated to the members and placed before Board meetings for noting. The Board has set up the following Committees:

**A. AUDIT COMMITTEE**

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

**(i) Composition**

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

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

Name of the Member	Category	Number of Meetings- 2022-23	
		Held	Attended
Shri Parduman V. Kumar - Chairman	NEID	4	4
Shri Kamal Kishore Kacholia	NEID	4	4
Dr. Shri Bhagwan Agarwal	NEID	4	4
Shri Jagdeesh Mal Mehta	NEID	4	4
Shri Ravindra Kumar Toshniwal	ED	4	4

### (ii) Meetings

During the year under review, four meetings of the Committee were held on 3<sup>rd</sup> May, 2022, 31<sup>st</sup> July, 2022, 11<sup>th</sup> November, 2022 and 13<sup>th</sup> February, 2023.

At the invitation of the Committee, the Chairman, Chief Financial Officer, Statutory Auditors, Chief Internal Auditor and Company Secretary, who also acts as the Secretary to the Committee, attend the meetings along-with representatives of the concerned departments if necessary to answer/clarify any specific points, if any, raised by the Committee members or Statutory Auditors at the meetings as also to generally assist the Committee in its deliberations. Shri Parduman Kumar, Chairman of the Committee attended the Annual General Meeting held on 30<sup>th</sup> July, 2022.

### (iii) Terms of reference

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

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

- Evaluation of internal financial controls and risk management systems;
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- Discussion with Internal Auditors of any significant findings and follow-up thereon and reviewing the reports furnished by them;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Looking into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- Granting omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board;
- Reviewing the functioning of the Whistle Blower mechanism;
- To recommend the appointment of the Chief Financial Officer to the Board after assessing the qualifications, experience and background of the candidate;

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

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

### **(i) Composition**

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

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

Name of the Member	Category	Number of Meetings- 2022-23	
		Held	Attended
Shri Parduman V. Kumar - Chairman	NEID	1	1
Shri Devendra Pal Garg	NEID	1	1
Dr. Vaijayanti Ajit Pandit	NEID	1	1

### **(ii) Meetings**

During the year under review, one meeting of the Committee was held on 3<sup>rd</sup> May, 2022.

Shri Parduman V. Kumar, Chairman of the Committee attended the Annual General Meeting of the Company held on 30<sup>th</sup> July, 2022 to answer the Shareholders' queries.

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

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

- Succession planning of the Board of Directors and other KMPs.
- To formulate the criteria for qualifications, positive attributes and independence for appointment as a Director/ KMP and to recommend to the Board a policy relating to the appointment of as well as the remuneration of Directors, KMPs, SMPs and other employees.
- To identify persons who are qualified and competent to become Directors and also those who may be appointed as KMPs and SMPs, in accordance with the criteria laid down and recommend their appointment to the Board besides recommending removal of any Director, KMP or SMP after



- consideration of a specific proposal/recommendation/reference made by appropriate authority.
- Formulation of the criteria for evaluation of performance of Independent Directors and the Board of Directors, as a whole.
- To recommend extension/continuation of the term of appointment of any Independent Director, on the basis of the report of performance evaluation by other Independent Directors.
- Review the performance of the Board of Directors and other SMPs in accordance with the criteria laid down
- Devising policy on the diversity of the Board
- To oversee the matters pertaining to HR Policies

### **Nomination and Remuneration Policy**

The Board has formulated the Remuneration Policy as under:

#### **a. Structure of Remuneration for the Whole-time Directors, KMPs and SMPs**

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

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

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

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

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

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

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

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

Details of Nomination and Remuneration Policy are available on the web-link [www.banswarasyntex.com/wp-content/uploads/2019/05/NOMINATION\\_POLICY.pdf](http://www.banswarasyntex.com/wp-content/uploads/2019/05/NOMINATION_POLICY.pdf)

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

The Committee reviews the performance of the individual Directors. In the Board meeting that follows the meeting of the Independent Directors and the meeting of the Committee, the performance of the Board, its Committees, and individual directors are discussed. A report on performance evaluation of the Board, its Committees and individual Directors is furnished in the Board's report.

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

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

**DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE FINANCIAL YEAR 2022-23**
**Remuneration of Directors**

The Executive Directors are paid remuneration in accordance with the limits prescribed under the Act and special resolution passed by the shareholders. Such remuneration is considered and approved by the Nomination and Remuneration Committee, the Board of Directors and the Shareholders of the Company. The details of remuneration paid to the Executive Directors during the financial year 2022-23 are as follows:

(₹ in Lakhs)

<b>Name of the Director</b>	<b>Salary (₹)</b>	<b>Contribution to PF, Perquisites &amp; other payments (₹)</b>	<b>Commission</b>	<b>Total (₹)</b>
Shri Rakesh Mehra	168.00	74.60	145.00	387.60
Shri Ravindra Kumar Toshniwal	103.20	46.51	145.00	297.71
Shri Shaleen Toshniwal	94.20	51.38	145.00	290.58
<b>Total</b>	<b>365.40</b>	<b>172.49</b>	<b>435.00</b>	<b>975.89</b>

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

The Non-Executive Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. Details of sitting fees paid to the Non-Executive Directors for the financial year 2022-23 are as follows

(₹ in Lakhs)

<b>Name of the Director</b>	<b>Amount (₹)</b>
Shri Parduman V. Kumar	6.60
Shri Kamal Kishore Kacholia	6.01
Shri Vijay Mehta	4.80
Shri Devendra Pal Garg	4.20
Dr. Shri Bhagwan Agarwal	6.60
Shri Vijay Kumar Agarwal	1.80
Dr. Vaijayanti Ajit Pandit	4.80
Shri Jagdeesh Mal Mehta	6.00
Shri David Vlerick	0.55

Non-Executive Independent Directors have any material financial interest in the Company apart from the remuneration by way of fees received by them.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

**(i) Composition**

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

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

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

Name of the Member	Category	Number of Meetings- 2022-23	
		Held	Attended
Shri Parduman V. Kumar - Chairman	NEID	1	1
Shri Kamal Kishore Kacholia	NEID	1	1
Shri Vijay Mehta	NEID	1	1

**(ii) Meetings**

During the year under review, one meeting of the Committee was held on 3<sup>rd</sup> May, 2022.

**(iii) Terms of reference**

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

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

**(iv) Disposal of complaints**

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

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

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

**D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

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

**(i) Composition**

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

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

Name of the Member	Category	Number of Meetings- 2022-23	
		Held	Attended
Shri Vijay Mehta - Chairman	NEID	2	2
Dr. Shri Bhagwan Agarwal	NEID	2	2
Dr. Vaijayanti Ajit Pandit	NEID	2	2
Shri Shaleen Toshniwal	ED	2	1

**(ii) Meetings**

During the year under review, two meetings of the Committee were held on 3<sup>rd</sup> May, 2022, and 6<sup>th</sup> March, 2023.

**(iii) Terms and reference**

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

**E. BUSINESS ADVISORY COMMITTEE**

The Composition, role, terms of reference as well as powers of the Committee are delegated by the Board of Directors of the Company.

**(i) Composition**

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

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

Name of the Member	Category	Number of Meetings- 2022-23	
		Held	Attended
Shri Rakesh Mehra, Chairman	ED	1	1
Shri Ravindra Kumar Toshniwal, Member	ED	1	1
Shri Shaleen Toshniwal, Member	ED	1	1
Shri Devendra Pal Garg, Member	NEID	1	1
Shri Jagdeesh Mal Mehta, Member	NEID	1	1
Shri Vijay Kumar Agarwal, Member	NEID	1	1

**(ii) Meetings**

During the year under review, one meeting of the Committee was held on 27<sup>th</sup> July, 2022.

## F. MEETING OF INDEPENDENT DIRECTORS

As required under the provisions of Act and Regulation 25 of the SEBI Listing Regulations, a separate meeting of Independent Directors of the Company was held on 3<sup>rd</sup> May, 2022, which was attended by Independent Directors.

### Terms and reference

- To Review the performance of non- Independent Directors and the Board as a whole.
- To Review the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors; and
- To assess the adequacy quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

## 4. GENERAL BODY MEETINGS

### (i) Annual General Meetings (AGM)

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

Financial Year	Date	Time	Venue	No. of Special Resolution
2019-20	18 <sup>th</sup> Sept., 2020	11.30 A.M.	Via Video-Conferencing (VC)/Other Audio-Visual Means (OAVM) Deemed Venue: Regd. Office i.e. Indl. Area, Dahod Road, Banswara –327 001	<ul style="list-style-type: none"> <li>• Appointment of Shri Rakesh Mehra as Chairman and Whole time Director.</li> <li>• Re-appointment of Dr. Vaijayanti Ajit Pandit as an Independent Director</li> </ul>
2020-21	24 <sup>th</sup> Sept., 2021	11.00 A.M.	Via Video-Conferencing (VC)/Other Audio-Visual Means (OAVM) Deemed Venue: Regd. Office i.e. Indl. Area, Dahod Road, Banswara –327 001	<ul style="list-style-type: none"> <li>• Re-appointment of Shri Jagdeesh Mal Mehta as an Independent Director for the second term of five consecutive years effective from 27<sup>th</sup> October, 2021 up to 26<sup>th</sup> October, 2026.</li> <li>• Continuation of the term of five consecutive years of Shri Devendra Pal Garg as an Independent Director, who has attained the age of Seventy-five years, as a Director.</li> <li>• Loan given to Tesca Textiles &amp; Seat Componetns (India) Pvt. Ltd. Joint Venture of the Company.</li> </ul>
2021-22	30 <sup>th</sup> July, 2022	4.30 P.M.	Regd. Office i.e. Indl. Area, Dahod Road, Banswara –327 001	<ul style="list-style-type: none"> <li>• Sub- division/ Split of 1 (One) Equity Shares of the Company having face value of ₹ 10/- each fully paid up into 2 Equity Shares of ₹ 5/- each.</li> </ul>

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

No EGM was held during the last three financial years i.e. 2019-20, 2020-21 and 2021-22.

### (iii) Postal Ballot

No Special Resolution was passed in the last year through postal ballot.

None of the special business proposed to be transacted in the Annual General Meeting requires to be conducted through postal ballot.

## 5. DISCLOSURES

### a. Related Party Transactions

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

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

### b. Statutory Compliance, Penalties and Strictures

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

### c. Whistle Blower Policy /Vigil Mechanism

The Company has a Vigil Mechanism under a Whistle blower Policy in place to develop a culture wherein it is possible for all employees to raise concern about any poor or unacceptable practice, as also to adhere to the highest standards of ethics, moral and legal and conduct of business operations. The Vigil (Whistle Blower) Mechanism provides a channel to the employees and Directors to report to the management about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or the policy. It also provides for adequate safeguards against victimization of persons who use this mechanism by direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. None of the employees of the Company have been denied access to the Audit Committee. The policy is on the Company's website at [www.banswarasyntex.com/wp-content/uploads/2020/06/VIGIL\\_MECH\\_WB\\_POLICY1.pdf](http://www.banswarasyntex.com/wp-content/uploads/2020/06/VIGIL_MECH_WB_POLICY1.pdf)

### d. CEO/CFO Certification

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

### e. Review of Directors' Responsibility Statement

The Board in its report has confirmed that the annual accounts for the year ended 31<sup>st</sup> March, 2023 have been prepared as per applicable Indian Accounting Standards (Ind AS) and policies and that sufficient care has been taken for maintaining adequate accounting records.

### f. Recommendations of the Committees

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

### g. Code of Conduct

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

### h. Certificate from Company Secretaries

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



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

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

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

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

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

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

Particulars	Amonut (₹ in Lakhs)
As auditors (Statutory Audit)	26.00
For other services	3.14
<b>Total</b>	<b>29.14</b>

**6. MEANS OF COMMUNICATION**

**Financial Results**

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

**News Releases**

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

**Periodicals**

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

**Annual Report**

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

**Website**

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

**Interaction with Institutional investors, analysts etc.**

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

**7. GENERAL SHAREHOLDER'S INFORMATION**

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

Date: Saturday, the 5<sup>th</sup> August, 2023

Time: 5.00 P.M. (IST)

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

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

Financial Year: 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024.

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

Particular of Quarter	Tentative dates*
First Quarter Results	On or before August 14, 2023
Second Quarter & Half Yearly Results	On or before November 14, 2023
Third Quarter & Nine-months ended Results	On or before February 14, 2024
Fourth Quarter & Annual Results	On or before May 30, 2024

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

**iii. Dates of Book Closure**

The Register of members and Share transfer books of the Company shall remain closed from Sunday the, 30<sup>th</sup> July, 2023 to Saturday, the 5<sup>th</sup> August, 2023 (both days inclusive).

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

Dividend for the year 2022-23, if approved by the Shareholders, will be paid on or after 10<sup>th</sup> August, 2023

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

The Company's Shares are listed on:

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

The requisite annual listing fees have been paid to these the Stock Exchanges for the financial year 2023 -24

**vi. Stock Code**

Number in NSDL and CDSL for equity shares -ISIN No.: INE629D01020

BSE - 503722

NSE - BANSWRAS

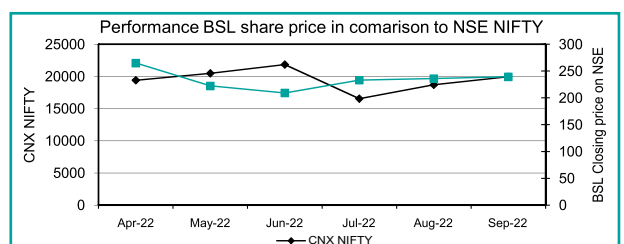
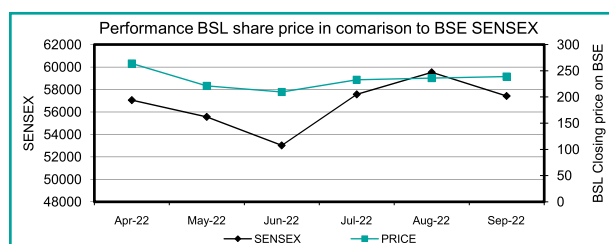
FACEVALUE - ₹ 5/-

**vii. Stock Market Price Data**

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

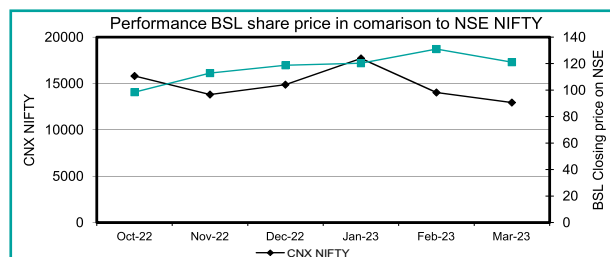
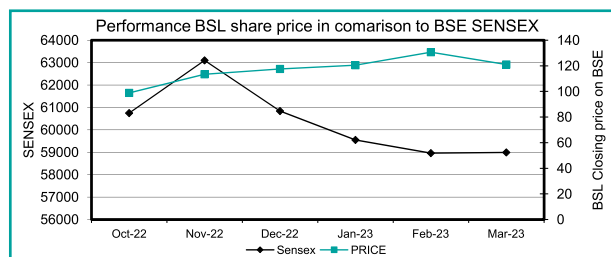
**Before split of shares, the face value of share was ₹ 10/-**

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2022	288.00	214.00	288.00	212.55
May, 2022	307.15	193.80	310.00	194.00
June, 2022	225.90	178.85	226.70	177.00
July, 2022	246.95	202.60	244.90	202.04
August, 2022	272.00	228.00	274.00	231.85
September, 2022	246.00	192.00	243.00	193.00



### After Split of Shares of the Company Face Value of the share was reduced to ₹ 5/-

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October, 2022	108.00	94.95	106.85	95.00
November, 2022	120.50	94.60	119.80	97.15
December, 2022	138.00	109.00	137.00	110.30
January, 2023	136.80	110.20	136.90	117.20
February, 2023	150.80	120.20	150.95	120.45
March, 2023	140.95	107.00	141.00	110.15



#### viii. Registrar & Share Transfer Agent

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

#### ix. Share Transfers System

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, the transferring of shares in physical form has stopped due to SEBI's norms for all the listed companies w.e.f. 1<sup>st</sup> April, 2019. Accordingly, securities of listed Companies can be transferred only in dematerialised form.

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

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

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

**x. Distribution of Shareholding**
**i. Shareholding Pattern as on 31<sup>st</sup> March, 2023**

Sr. No.	Category	No. of Shares held	Shareholding (%)o.
1.	Promoters & promoter group	19255633	56.25
2.	Mutual Funds	0.00	0.00
3.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions, Non-Government Institutions)	400	0.00
4.	Foreign Institutional Investors	3915963	11.44
5.	Private Corporate Bodies	2566886	7.50
6.	Indian Public	8199013	23.95
7.	NRIs/OCBs/Foreign Nationals	294189	0.86
8.	Any other	0.00	0.00
	<b>Grand Total</b>	<b>34232084</b>	<b>100.00</b>

**ii. Distribution of Shareholding as on 31<sup>st</sup> March, 2023**
**(a) Number-wise**

No. of Shares	No. of Shareholders	Shareholders (%)	No. of Shares held	Voting Strength (%)
1 to 500	9760	83.09	1061971	3.10
501 to 1000	913	7.77	692487	2.02
1001 to 2000	452	3.85	696956	2.04
2001 to 3000	172	1.46	437692	1.28
3001 to 4000	88	0.75	325071	0.95
4001 to 5000	73	0.62	344915	1.01
5001 to 10000	138	1.17	991857	2.90
10001 & above	151	1.29	29681135	86.70
<b>Total</b>	<b>11747</b>	<b>100.00</b>	<b>34232084</b>	<b>100.00</b>

**(b) Category wise**

No. of Shares	No. of Shareholders	Shareholders (%)	No. of Shares held	Voting Strength (%)
Physical	2325	19.79	416160	1.22
Electronic	9422	80.21	33815924	98.78
<b>Total</b>	<b>11747</b>	<b>100.00</b>	<b>34232084</b>	<b>100.00</b>

**xi. Relationship among Directors**

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

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

**xii. Dematerialization of Shares and Liquidity**

The Company's shares are available for dematerialization on both the Depositories viz. NSDL and CDSL. Shares of the Company are to be delivered compulsorily in the demat form on Stock Exchanges by all investors. Shares representing 98.78% of the Paid-up Capital have so far been dematerialized by Investors.

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

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

**xiv. Plant Locations**

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

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

CIN: L2430RJ1976PLC001684

<b>Registered Office:</b> Industrial Area, Dahod Road, Post Box No.21, Banswara-327 001, Rajasthan Tel. No. (02962) 240692, 257694, 257680	<b>Corporate Office:</b> 4th /5th Floor, Gopal Bhawan, 199, Princess Street, Mumbai- 400 002 Tel: 022 66336571-76, Fax: 022 22064486
<b>Email:</b> <a href="mailto:secretarial@banswarasyntex.com">secretarial@banswarasyntex.com</a>   <b>Website:</b> <a href="http://www.banswarasyntex.com">www.banswarasyntex.com</a>	
<b>Computech Sharecap Limited</b> Unit :Banswara Syntex Limited 147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery, Fort, Mumbai -400 001 Tel: 022-22635000-01, Fax: 022- 22635005 <b>Email:</b> <a href="mailto:helpdesk@compuotechsharecap.in">helpdesk@compuotechsharecap.in</a>   <b>Website:</b> <a href="http://www.compuotechsharecap.com">www.compuotechsharecap.com</a>	

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

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

(₹ In Crore)

Rating Agency	Facilities Rated	Amount Rated	Rating Assigned	Date of Rating
India Ratings & Research Ltd.	Long-term loans	167.76	INDA/Stable	27-03-2023
	Fund-based limits	300	INDA/Stable	27-03-2023
	Non-fund-based limits	78	INDA1	27-03-2023
	Fixed deposits	40	INDA/Stable	27-03-2023

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

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

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

An office for the use of the Chairman is available.

**b. Shareholder's Rights:**

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

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

There are no qualifications in the Auditor's report on the financial statements to the Shareholders of the Company.

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

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

**e. Reporting of Internal Auditor**

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

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

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

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

Sd/-

**Rakesh Mehra**

Chairman

DIN:00467321

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023



**CEO and CFO CERTIFICATION****Certificate from CEO and CFO for the Financial Year ended 31<sup>st</sup> March, 2023**

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

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

For **Banswara Syntex Limited**

Sd/-

**Ravindra Kumar Toshniwal**

Chief Executive Officer

Sd/-

**Kavita Gandhi**

Chief Financial Officer

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023

**DECLARATION FOR CODE OF CONDUCT**

As provided under Regulation 26 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members, Key Managerial Personnel and Senior Management Staff have affirmed compliance with Banswara Syntex Limited Code of Conduct for the year ended 31<sup>st</sup> March, 2023.

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

Sd/-

**Ravindra Kumar Toshniwal**

Managing Director

Place: Mumbai

Dated: 15<sup>th</sup> May, 2023

DIN: 00106789

**Annexure - A**

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority, except Mr. David Vlerick (DIN:07679476), who has not registered himself as an Independent Director in the Independent Directors Data Bank created by MCA and Indian Institute of Corporate Affairs (IICA).

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

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

Place: Mumbai  
 Date: May 15, 2023  
 UDIN: F011024E000308816

**For V. M. & Associates**  
 Company Secretaries  
 (ICSI Unique Code P1984RJ039200)  
 PR 581 / 2019  
 Sd/-

**CS Sunita Agarwal**  
 Partner  
 Membership No.: FCS 11024  
 C P No.: 10097

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

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

1. We have examined the compliance of conditions of Corporate Governance of Banswara Syntex Ltd. ("the Company") for the year ended on March 31, 2023 as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [collectively referred to as "SEBI Listing Regulations"].

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

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

**Our Responsibility**

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

**Opinion**

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

**Restriction on use**

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

Place: Mumbai  
Date: May 15, 2023  
UDIN: F011024E000309322

**For V. M. & Associates**  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)  
PR 581 / 2019  
Sd/-

**CS Sunita Agarwal**  
Partner  
Membership No.: FCS 11024  
C P No.: 10097

**Annexure-IV to the Directors Report**

**THE ANNUAL REPORT ON CSR ACTIVITIES**

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

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

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

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

**2. Composition of CSR Committee**

Name of the Director	Designation / Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
Shri Vijay Mehta	Chairman/Independent Director	2	2
Shri Shaleen Toshniwal	Member/Whole time Director	2	1
Dr. Shri Bhagwan Agarwal	Member/Independent Director	2	2
Dr. Vaijayanti Ajit Pandit	Member/Independent Director	2	2

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

**CSR Committee :-**

[www.banswarasyntex.com/wp-content/uploads/2021/05/Compisition-of-Committttee-2021.pdf](http://www.banswarasyntex.com/wp-content/uploads/2021/05/Compisition-of-Committttee-2021.pdf)

**CSR Policy:-**

[https://www.banswarasyntex.com/wp-content/uploads/2021/08/CSR\\_Policy.pdf](https://www.banswarasyntex.com/wp-content/uploads/2021/08/CSR_Policy.pdf)

**CSR Projects**

<https://www.banswarasyntex.com/csr-projects/>

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

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

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

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

6. Average net profit of the Company as per section 135(5): ₹ 4801.11 Lakhs

7. (a) Two percent of average net profit of the Company as per section 135(5): ₹ 96.00 Lakhs

- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**
- (c) Amount required to be set off for the financial year, if any: **Nil**
- (d) Total CSR obligation for the financial year (7a+7b-7c): **₹ 96.00 Lakhs**

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

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
Amount (₹ in Lakhs)	Amount (₹ in Lakhs)	Date of transfer	Name of the Fund	Amount (₹ in Lakhs)	Date of transfer
129.52	Not Applicable		Nil		

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (₹ in Lakhs)	(8) Amount spent in the current financial Year (₹ in lakhs)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) of the Act (₹ in lakhs)	(10) Mode of Implementation - Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Construction of New Path Way Length 250 Mtrs Above Phase-II, 2nd Ghat at Nathlav back	(iv)	Yes	Banswara (Rajsthan)		1yrs	33.00	33.22	NA	Yes	NA	
<b>Total</b>							<b>33.00</b>	<b>33.22</b>				

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII of the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (₹ in lakhs)	(7) Mode of Implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Promoting education, incl. special education and employment enhancing vocation skills especially among children, women, elderly, and the differently able and livelihood enhancement projects	(ii)	Yes	Banswara (Rajasthan)		27.41	Yes	NA	
2.	Eradicating hunger, poverty and malnutrition (Promoting health care including preventive health care) Build Public Toilets & Making available safe drinking water	(i)	Yes	Banswara (Rajasthan)		18.47	Yes	NA	
3.	Environmental Sustainability, economic balance	(iv)	Yes	Banswara (Rajasthan)		2.07	Yes	NA	
4.	Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;	(vii)	Yes	Banswara (Rajasthan)		17.51	Yes	NA	
<b>Total</b>						<b>65.46</b>			

- (d) Amount spent in Administrative Overheads: **Not Applicable**
- (e) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 98.68 Lakhs**
- (g) Excess amount for set off, if any: **Not Applicable**

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

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) of the Act (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6) of the Act, if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)
				Name of the Fund	Amount (₹ in Lakhs)	Date of transfer	
1.	2020-21	32.00	32.00	Nil			Nil
2.	2021-22	24.66	24.66	Nil			Nil

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

(1) Sl. No.	(2) Project ID.	(3) Name of the Project	(4) Financial Year in Which the project was commenced	(5) Project duration (in years)	(6) Total Amount allocated for the project (₹ in Lakhs)	(7) Amount spent on the project in the reporting Financial Year (₹ in Lakhs)	(8) Cumulative amount spent at the end of reporting Financial Year (₹ in Lakhs)	(9) Status of the project - Completed /Ongoing
1.	NTBR-01	Nathelaw	2021-22	3	32.50	32.50		Ongoing

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

(a) Date of creation or acquisition of the capital asset(s) - **Not Applicable**

(b) Amount of CSR spent for creation or acquisition of capital asset- **Not Applicable**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.- **Not Applicable**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5)- **Not Applicable**

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

Sd/-

**Ravindra Kumar Toshniwal**

Chief Executive Officer & Managing Director  
DIN:00106789

Sd/-

**Vijay Mehta**

Chairman - CSR Committee  
DIN:00057151

Place: Mumbai

Date: 15<sup>th</sup> May, 2023



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

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

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

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

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

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

<b>Name of related party and Nature of Relationship</b>	<b>Nature of Contracts/ arrangements/ Transactions</b>	<b>Duration of the Contracts/ arrangements/ Transactions</b>	<b>Salient terms of the Contracts/ arrangements /Transactions</b>	<b>Monetary Value of Contracts/ arrangements/ Transactions (₹ in Crore)</b>	<b>Date(s) of approval by the Board</b>	<b>Amount paid as advance, if any</b>
Tesca Textiles & Seat Components (India) Private Limited, (Joint Venture Company)	Sale, purchase, job work or supply of any goods or materials availing or rendering of any services	One Year From 01.04.2023 to 31.03.2024	Arm's Length Basis/ Prevailing Market Price	50.00	13 <sup>th</sup> February, 2023	NIL
Aanswr Fashion Private Limited	Same as above	One Year From 01.04.2023 to 31.03.2024	Arm's Length Basis/ Prevailing Market Price	15.00	13 <sup>th</sup> February, 2023	NIL
Banswara Brands Private Limited (Wholly Owned Subsidiary)	Same as above	One Year From 01.04.2023 to 31.03.2024	Arm's Length Basis/ Prevailing Market Price	1.00	13 <sup>th</sup> February, 2023	NIL

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

Sd/-

**Rakesh Mehra**

Chairman

DIN: 00467321

Place: Mumbai

Date: 15<sup>th</sup> May, 2023

**Annexure VI to the Directors' Report**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,  
The Members,  
Banswara Syntex Ltd

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and the Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) and Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non Convertible Securities) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the Audit Period**);

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As confirmed by the management, there are no sector specific laws that are applicable specifically to the Company.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except that Company is in the process of setting up structured digital data base (SDD) and has initiated the same.

#### **We further report that**

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

Further, we report that Independent Director Mr. David Vlerick (DIN:07679476), is not registered with Independent Directors Data Bank created by MCA and Indian Institute of Corporate Affairs (IICA).

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

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

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

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

**For V.M. & Associates**

Company Secretaries

(ICSI Unique Code P1984RJ039200)

PR 581 / 2019

Sd/-

**CS Sunita Agarwal**

Partner

Membership No.: FCS11024

CP No.: 10097

Place: Mumbai

Date: May 15, 2023

UDIN: F011024E000308662

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

**Annexure A**

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

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

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

Place: Mumbai  
Date: May 15, 2023  
UDIN: F011024E000308662

**For V.M. & Associates**  
Company Secretaries  
(ICSI Unique Code P1984RJ039200)  
PR 581 / 2019  
Sd/-

**CS Sunita Agarwal**  
Partner  
Membership No.: FCS11024  
CP No.: 10097

**Annexure-VII to the Directors' Report****Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo, as per Section 134(3) (m) of the Companies Act, 2013 and the Rules made therein and forming part of the Directors' Report for the year ended March 31, 2023****A) Conservation of Energy****(i) Step taken or impact on conservation of energy**

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

**a. Energy Conservation measures taken Year (2022-23)**

- (i) Installed 18 Nos. new motors Carding machine as main motor to replace old derated and under rated motors. Thus the saving of ₹ 5.70 Lakh annually. i.e replaced old derated and under rated motors of 5.5 Kw with new IE3 energy efficient motors of 7.5 Kw.
- (ii) Saving of ₹ 156.40 Lakh, in Electricity bill through rebates due to maintaining 50% load factor throughout the year on State Electricity board 33 KV line to gain the rebate of ₹ 0.97 Per unit of energy consumption and also gain the rebates on electricity Parameters (PF, TOD, Incremented and peak hours consumption)
- (iii) Replaced 2 No. old TFO Machines with latest technology TFO machines, Thus saving of ₹ 1.65 Lakh annually.
- (iv) Replaced 240 Nos. old derated ceiling fans with new Energy Efficient Ceiling Fans. Thus saving of ₹ 0.06 Lakh annually.
- (v) Replacement of 38 Nos. Old ACs (Air conditioner) with New 3-star rating Energy Efficient ACs of Variable Load, thus saving of ₹ 0.48 lakh annually.

- (vi) Replaced old ordinary street Light (fluorescent lamp) with Energy Efficient Street lights, thus saving of ₹ 0.09 lakh annually.
- (vii) Installed Air Receivers in BFL & BJJ compressor room for proper Air distribution system to reduce pressure drop page.
- (viii) Air Flow Meter Installation in Airjet Machine 6 nos & Weaving-4-1 nos, Mill-6-1 nos for CFM monitoring purpose
- (ix) Installed 4604KW Rooftop Solar Plant hence Energy Generation-4691698kwh @ ₹ 7.13/unit. Hence saving of ₹ 334.52 Lakh Rupees.
- (x) New VFD based screw compressor of 1000 CFM installed for makes up need base in BFL and BTM premises.

**b. Measures to be taken in the Financial Year (2023-24)**

- (i) Replacement of old model high power consuming TFO machines to the Energy efficient TFO machines.
- (ii) Replacement of Old high power consuming Autoconer machines to the Energy efficient Autoconer machines
- (iii) Installation of 4 MW Rooftop Solar power plant (2.5 MW BSL unit + 1.5 MW BFL Unit)
- (iv) Erection of New 132 KV dedicated power transmission line for Upgradation purpose over existing 33 KV incoming transmission system to minimize unwanted power tripping
- (v) Upgradation of Spinning machineries including Ring frame, draw frame, Speed frames, Autoconers and TFO machines.

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

We are having co-generation thermal power plant and solar power plant to meet the power requirements.

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

For the Financial year 2022-23 total expenditure for energy saving equipment is about ₹ 17.54 Crore.

**B). TECHNOLOGY ABSORPTION 2022-23**

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

- (i) Maintain the load factor more than 50 % on the existing 33 KV transmission line to gain the rebate of approx ₹ 1 per unit while the billing of the Energy consumption.
- (ii) Maximize the use of the Solar Power during day time as a conventional energy source for reducing the carbon emission and cost of fuels.
- (iii) Commissioning of TFO and Winding machines for Energy efficiency.
- (iv) Commissioning of Autoconer machines for Energy Efficiency.
- (v) Water saving of approx 5% by doing recycle.
- (vi) Monitoring of Compressed air by using installed Air flow meters and Air receivers for the sectional Consumption of compressed Air.

**C) Foreign Exchange Earnings and Outgo**

During the year, foreign exchange outgo was ₹ 143.21 crore (which includes import of capital goods, stores & spares, coal, raw materials, consumables, payment of consultancy, dividend and travelling expenses etc.) while foreign exchange earned was ₹ 703.73 crore. The details have been given under Notes to Financial Statements.

For and on behalf of the Board of Directors  
Sd/-

**Rakesh Mehra**  
Chairman  
DIN:00467321

Place: Mumbai  
Date: 15<sup>th</sup> May, 2023



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

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

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

**Remuneration paid to Whole-time Directors (“WTD”) and other Key Managerial Personnel (“KMP”)**

<b>Name of the KMPs</b>	<b>Designation</b>	<b>% increase/ decrease of remuneration in 2023 as compared to 2022</b>	<b>Ratio of remuneration to KMPs and MRE*</b>
Mr. Rakesh Mehra	Chairman	8.24%	115.14:1
Mr. Ravindra Kumar Toshniwal	Managing Director	8.27%	71.06:1
Mr. Shaleen Toshniwal	Joint Managing Director	11.47%	69.10:1
Mr. Pankaj Gharat #	Chief Financial Officer	NA	8.61:1
Mr. Hanuman Prasad Kharwal	Company Secretary	15.19%	6.01:1

\*MRE – Median Remuneration of employees

# Mr. Pankaj Gharat was appointed as a CFO on 3<sup>rd</sup> May, 2022 and resigned from the post of CFO on 28<sup>th</sup> February 2023, hence comparable figures have not been provided.

Notes:

- The increase in median remuneration of employees excluding the WTDs in financial year 2022-23 as compared to financial year 2021-22 is 8.73%.
- The number of permanent employees on the rolls of the Company as of 31<sup>st</sup> March, 2023, and 31<sup>st</sup> March, 2022, was 14490 and 13226 respectively
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration – Average increase in the remuneration of all employees excluding KMPs was 30.62% and Average increase/(Decrease) in the remuneration of KMPs was (6.01%)

Justification: Employees salary increases are decided based on the individual performance, inflation, prevailing industry trends and benchmarks.

- Affirmation that the remuneration is as per the remuneration policy of the company– Yes

For and on behalf of the Board of Directors  
Sd/-

**Rakesh Mehra**  
Chairman  
DIN: 00467321

Place: Mumbai

Date: 15<sup>th</sup> May, 2023



# Standalone Financial Statements

**INDEPENDENT AUDITORS' REPORT**

To,

**The Members of****Banswara Syntex Ltd.****Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

We have audited the Standalone Ind AS financial statements of **Banswara Syntex Ltd** ("the company") which comprise the balance sheet as at March 31, 2023, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the

**Key Audit Matters**

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

Key Audit Matter	How our audit addressed the matter
<p><b>Existence, Valuation of inventory and significant judgments, estimates relating to provision for obsolescence of slow and non-moving inventory</b></p> <p>Inventories aggregate to ₹ 31,394.19 Lakhs As at March 31<sup>st</sup>, 2023, Inventory comprises of raw material including packing material, work in progress, finished goods and stores and spares.</p> <p>We have identified the inventories as key audit matter because it is material to the financial statements.</p> <p>Refer note 1(C)(6) and Note 10 to the Standalone Ind AS financial statements.</p>	<ul style="list-style-type: none"> <li>• We read and understood the Company's accounting policy for inventory valuation.</li> <li>• Obtained understanding of the management's process of inventory valuation and inventory physical verification performed at year end.</li> <li>• Observed the physical stock count process on a sample basis for selected locations by attending the physical stock-taking exercise conducted by management; further, we physically verified items on test check basis.</li> <li>• We have also been provided the physical verification report covering major inventory which is certified by the Internal Audit Department. For the inventory lying with the third party, management has provided the confirmation obtained from the third parties.</li> <li>• We obtained understanding of the inventory valuation process, and the assumptions used by the management in the process of calculation of inventory provision. We have tested management review controls and operating effectiveness of controls related to purchase, sales and Inventory verification.</li> </ul>

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, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

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

**Information Other than the Standalone Ind AS Financial Statements and Auditor’s Report Thereon**

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

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

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

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

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

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

to time.

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

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

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

**Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and

significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
  - (c) The standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31<sup>st</sup>, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

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

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

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

i. The company has disclosed the impact of pending litigations on its financial position in its financial statements refer Note 48 to the Standalone Ind AS financial statements.

ii. Provision has been made in the Standalone Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been a delay in transferring amount of Rs. 0.05 lakh required to be transferred, to the Investor Education and Protection Fund by the company pertaining to financial year 2014-15. Also, unpaid dividend for financial year 2011-12 amounting to Rs. 4.30 lakhs were deposited by the company in Investor education protection fund However the Investor education protection fund authority erroneously returned the same. (Read with Note 28 to the Standalone Ind AS financial statement)

iv. (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) the management has represented, that, to the best of its knowledge and belief, other than as

disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

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

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<sup>st</sup>, 2023.

**For KG Somani & Co LLP**

Chartered Accountants

Firm Registration No: 06591N/N500377

Sd/-

**(Vinod Kumar Somani)**

Partner

Membership No: 085277

UDIN: 23085277BGZGTJ3304

Place: New Delhi

Date: 15<sup>th</sup> May, 2023



**“Annexure A” to the Independent Auditors’ Report****Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31<sup>st</sup>, 2023:**

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

current assets and the quarterly returns or statements filed with such banks or financial institutions are in agreement with the books of account of the Company.

- (iii) According to the information and explanations given to us, the Company has made investment in one wholly owned Subsidiary and one Joint Venture Company covered in the Register maintained under section 189 of the Act.
- a) The Company has granted loans to wholly owned subsidiary of ₹ 71.00 lakhs during the year, and the balance outstanding at the balance sheet date with respect to such loans or advances are ₹ 72.69 lakhs.
  - b) In our opinion, the investments made and the terms and conditions of the grant of loans during the year are prima facie, not prejudicial to the company’s interest.
  - c) In respect of loans granted by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayment of principal amount has not been started.
  - d) In respect of loans granted by the company, there is no overdue amount remaining outstanding at balance sheet date.
  - e) No loan granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
  - f) The Company has granted loan to a wholly owned subsidiary of ₹ 71 lakhs in the nature of loans repayable on demand specifying the repayment schedule. The loan amount and total loan granted amount is hundred percent.
- The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships, or any other Parties.
- (iv) In our opinion and according to the information and explanations given to us during the course of audit, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investment of the company. Further, the company has granted loan to a subsidiary and has not given any guarantees and security under the provision of section 185 of the companies Act, 2013.
- (v) The Company has accepted deposits or amount which are deemed to be deposits and complied with the directives issued by the Reserve Bank of India and the provisions of the Companies Act 2013 and the rule frame there under. No order has been passed with respect to Section 73 to 76 by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any Tribunal.

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

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Duty of Customs, Duty of Excise, Value added Tax, Goods & Service Tax, Cess and any other statutory dues with the appropriate authorities and there were no outstanding except electricity duty payable of ₹ 13.61 lakhs as at March 31<sup>st</sup>, 2023 for a period of more than six months from the date they become payable.

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

Name of Statute	Nature of disputed dues	Period to which amount relates	Amount involved (₹ in Lakhs)	Forum where dispute is pending
Income Tax Act 1961	Income Tax	AY 2010-11, 2014-15, 2016-17, 2017-18 & 2018-19	1,552.32	CIT(Appeals) Udaipur
Custom Act, 1962	Custom Duty	FY 2012-13	375.19	CESTAT, Ahmedabad

(viii) There are no instances of any transaction not being recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.

(b) The Company is not declared a willful defaulter by any bank or financial institution or other lender.

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on the overall examination of the Cash Flow Statement of the Company, we report that the Company has used funds raised on short Term basis aggregating to ₹1745.58 Lakhs for long term purposes.

(e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

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

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

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

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

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

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

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

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

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

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

- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable.
- (xviii) There has not been any resignation of Statutory auditor during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on ongoing projects and other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act 2013 in compliance with the second proviso to the sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the order is not applicable for the year.

**For KG Somani & Co LLP**

Chartered Accountants  
Firm Registration No: 06591N/N500377

Sd/-

**(Vinod Kumar Somani)**

Partner  
Membership No: 085277  
UDIN: 23085277BGZGTJ3304

Place: New Delhi

Date: 15<sup>th</sup> May, 2023

## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of Banswara Syntex Limited the year ended March 31<sup>st</sup>, 2023**

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

We have audited the internal financial controls over financial reporting of **Banswara Syntex Limited** (“the Company”) as of **March 31<sup>st</sup>, 2023** in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

#### **Auditors’ Responsibility**

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

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

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

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

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

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2023, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

#### **For K G Somani & Co LLP**

Chartered Accountants

Firm Registration No: 06591N/N500377

Sd/-

**(Vinod Kumar Somani)**

Partner

Membership No: 085277

UDIN: 23085277BGZGTJ3304

Place: New Delhi

Date: 15<sup>th</sup> May, 2023

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023

(₹ In Lakhs)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	36,280.54	30,641.60
Right of Use Asset	3	527.73	571.37
Capital Work-in-Progress	4	2,184.94	2,891.60
Other Intangible Assets	5	153.73	229.07
Intangible Assets Under Development	5	6.25	-
Financial Assets			
(i) Investment in Subsidiary and Joint Venture	6	580.90	466.00
(ii) Others	7	766.22	665.12
Income Tax Assets (Net)	8	1,748.75	1,515.16
Other Non-Current Assets	9	2,186.96	856.80
		<b>44,436.02</b>	<b>37,836.72</b>
<b>Current Assets</b>			
Inventories	10	31,394.19	27,888.90
Financial Assets			
(i) Investments	11	6.72	3.91
(ii) Trade Receivables	12	21,213.14	12,644.47
(iii) Cash and Cash Equivalents	13	1,460.45	1,874.91
(iv) Bank balances other than (iii) above	14	2,257.72	867.14
(v) Loans	15	243.00	123.24
(vi) Others	16	981.72	1,746.40
Other current assets	17	4,855.75	5,373.36
		<b>62,412.69</b>	<b>50,522.33</b>
<b>Total Assets</b>		<b>1,06,848.71</b>	<b>88,359.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18	1,711.60	1,711.60
Other Equity	19	49,195.38	38,302.77
		<b>50,906.98</b>	<b>40,014.37</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	20	12,357.88	10,629.97
(ii) Lease Liabilities	21	155.09	197.95
Provisions	22	407.92	397.32
Deferred Tax Liabilities (Net)	23	1,866.15	2,611.31
Government Grant	24	452.30	538.90
		<b>15,239.34</b>	<b>14,375.45</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	25	24,761.57	15,303.93
(ii) Lease Liabilities	26	66.27	56.26
(iii) Trade Payables	27		
Total outstanding dues of micro enterprises and small enterprises;		675.59	271.83
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,160.91	10,435.08
(iv) Other Financial Liabilities	28	4,932.27	4,573.70
Other Current Liabilities	29	1,667.20	2,500.49
Government Grant	24	84.47	82.34
Provisions	30	213.15	177.73
Income Tax Liabilities (Net)	31	140.96	567.87
		<b>40,702.39</b>	<b>33,969.23</b>
<b>Total Equity and Liabilities</b>		<b>1,06,848.71</b>	<b>88,359.05</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

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

In terms of our Audit Report of even date:

For and on behalf of the Board of Directors

**For K G SOMANI & CO LLP**Chartered Accountants  
FRN - 06591N/N500377

Sd/-

**Rakesh Mehra**

DIN : 00467321

Chairman

Sd/-

**Shaleen Toshniwal**

DIN : 00246432

Jt. Managing Director

Sd/-

**Kavita Gandhi**

Chief Financial Officer

Place : Mumbai

Dated : 15<sup>th</sup> May 2023

Sd/-

**Ravindra Kumar Toshniwal**

DIN : 00106789

Managing Director

Sd/-

**P. Kumar**

DIN : 00179074

Chairman (Audit Committee)

Sd/-

**H. P. Kharwal**

Company Secretary

ACS28614

Sd/-

**Vinod Kumar Somani**

Partner

M.No. 085277

Place : New Delhi

Dated : 15<sup>th</sup> May 2023

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

(₹ In Lakhs Except EPS)

PARTICULARS	Note No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Income:</b>			
Sale of Products & Services	32	1,47,814.06	1,17,221.65
Other Operating Revenue	32	2,063.79	1,755.47
<b>Revenue From Operations</b>		<b>1,49,877.85</b>	<b>1,18,977.12</b>
Other Income	33	1,459.37	1,966.85
<b>Total Income (I)</b>		<b>1,51,337.22</b>	<b>1,20,943.97</b>
<b>Expenses :</b>			
Cost of Materials Consumed	34	66,783.02	56,363.83
Purchase of Traded Goods		-	-
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	35	(3,902.96)	(3,669.69)
Employee Benefits Expenses	36	28,626.15	21,921.28
Finance Costs	37	3,173.97	2,479.27
Depreciation And Amortization Expenses	38	4,077.09	4,185.99
Other Expenses	39	38,560.68	32,461.73
<b>Total Expenses(II)</b>		<b>1,37,317.95</b>	<b>1,13,742.42</b>
<b>Profit before exceptional items and tax (III) = (I-II)</b>		<b>14,019.27</b>	<b>7,201.55</b>
Exceptional Item (IV)		-	-
<b>Profit before tax (V) = (III+IV)</b>		<b>14,019.27</b>	<b>7,201.55</b>
Tax Expense :			
(1) Current tax			
Current Year		3,656.71	2,854.12
Tax Adjustment of Earlier Years		(1.39)	(0.21)
(2) Deferred Tax		(777.31)	(326.14)
<b>Total Tax Expenses (VI)</b>		<b>2,878.01</b>	<b>2,527.77</b>
<b>Profit After Tax (VII) = (V)-(VI)</b>		<b>11,141.26</b>	<b>4,673.78</b>
<b>Other Comprehensive Income</b>			
<b>A. Item that will not be reclassified to profit or loss</b>			
(i) Remeasurment of defined benefit plan		239.53	(214.32)
(ii) Tax relating to Remeasurment of defined benefit plan		(60.29)	74.89
<b>B. Item that will be reclassified to profit or loss</b>		-	-
<b>Total Other Comprehensive Income (VIII)</b>		<b>179.24</b>	<b>(139.43)</b>
<b>Total Comprehensive Income for the Period (IX) = (VII+VIII)</b>		<b>11,320.50</b>	<b>4,534.35</b>
<b>Earnings per equity share (in ₹)</b>	40		
(1) Basic (Face Value of ₹ 5 each)		32.55	13.65
(2) Diluted (Face Value of ₹ 5 each)		32.55	13.65
<b>Significant Accounting Policies</b>	<b>1</b>		

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

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

**For K G SOMANI & CO LLP**

 Chartered Accountants  
 FRN - 06591N/N500377

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

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

 Sd/-  
**Vinod Kumar Somani**  
 Partner  
 M.No. 085277

 Sd/-  
**Shaleen Toshniwal**  
 DIN : 00246432  
 Jt. Managing Director

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

 Place : New Delhi  
 Dated : 15<sup>th</sup> May 2023

 Sd/-  
**Kavita Gandhi**  
 Chief Financial Officer  
 Place : Mumbai  
 Dated : 15<sup>th</sup> May 2023

 Sd/-  
**H. P. Kharwal**  
 Company Secretary  
 ACS28614



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

(₹ In Lakhs)

PARTICULARS	Year ended		Year ended	
	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
<b>A) Cash Flow From Operating Activities :-</b>				
Net Profit Before Tax as per Statement of Profit and Loss		14,019.27		7,201.55
<b>Adjusted for :</b>				
Depreciation and Amortization Expenses	4,077.09		4,185.99	
Unrealised Exchange Loss/(Gain)	123.40		61.79	
Impairment Allowance for Doubtful Advances/Receivables	24.23		-	
Deferred Government Grant transferred to Statement of Profit and Loss	(84.47)		(82.34)	
Net Gain on sales of property, plant and Equipments	(233.00)		(269.31)	
Dividend Received	(0.19)		-	
Interest Income	(217.65)		(186.88)	
Finance Cost	3,173.97		2,479.27	
Fair value (gain)/loss transferred to Statement of Profit and Loss	(2.81)	6,860.57	(0.47)	6,188.05
Operating profit before working capital changes		20,879.84		13,389.60
<b>Adjusted for :</b>				
(Increase)/Decrease in trade & other receivables	(7,563.75)		(2,776.27)	
(Increase)/Decrease in inventories	(3,505.29)		(8,243.95)	
(Increase)/Decrease in Bank balance and Term Deposits other than Cash and Cash Equivalents	(1,390.58)		(197.65)	
Increase/(Decrease) in trade and others payables	(2,059.58)	(14,519.20)	5,503.34	(5,714.53)
Cash generated from operations		6,360.64		7,675.07
Direct Tax paid (net of tax refund)		4,343.97		2,255.35
<b>Net cash from operating activities (A)</b>		<b>2,016.67</b>		<b>5,419.72</b>
<b>B) Cash Flow From Investing Activities :-</b>				
Acquisition of Property, Plant and Equipment		(10,312.63)		(5,804.06)
Proceeds from sale of Property, Plant and Equipment		360.80		939.00
Investment in Joint Venture		(88.90)		(178.00)
Investment in subsidiary		(26.00)		-
Government Grant Received		-		32.04
Dividend Received		0.19		-
Term Deposit with Banks		(103.66)		21.58
Interest Income		217.65		186.88
<b>Net cash used in investing activities (B)</b>		<b>(9,952.55)</b>		<b>(4,802.56)</b>
<b>C) Cash Flow From Financing Activities :-</b>				
Proceeds from Term Loan borrowings		6,189.58		1,555.72
Repayment of Term Loan borrowings		(4,280.51)		(5,262.29)
Interest paid		(3,133.62)		(2,595.04)
Increase/(Decrease) in bank borrowings		8,960.54		7,955.96
Proceeds from unsecured loans		441.00		379.00
Repayment of unsecured loans		(146.00)		(1,205.00)
Repayment of Principal towards Lease Liability		(61.39)		(70.69)
Interest Paid on Lease Liability		(20.27)		(13.61)
Dividend Paid		(427.90)		(256.74)
<b>Net cash from financing activities (C)</b>		<b>7,521.42</b>		<b>487.31</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>		<b>(414.46)</b>		<b>1,104.47</b>
Opening balance of cash and cash equivalents		1,874.91		770.44
<b>Closing balance of cash and cash equivalents</b>		<b>1,460.45</b>		<b>1,874.91</b>

**Cash and Cash Equivalent includes:-**

(₹ In Lakhs)

PARTICULARS	As at 31.03.2023	As at 31.03.2022
Cash on hand	44.79	46.19
Balance in current account	1,415.66	1,828.72
<b>Total</b>	<b>1,460.45</b>	<b>1,874.91</b>

**Note:**

- The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act 2013.
- Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.

**Changes in liabilities arising from financing activities:-**

(₹ In Lakhs)

PARTICULARS	As at 31.03.2022	Cash Flow	Non-cash Changes	As at 31.03.2023
Non-Current Borrowing	14,476.59	2,204.07	-	16,680.66
Current Borrowing	11,349.22	8,960.54	-	20,309.76
<b>Total</b>	<b>25,825.81</b>	<b>11,164.61</b>	-	<b>36,990.42</b>

**Changes in liabilities arising from financing activities:-**

(₹ In Lakhs)

PARTICULARS	As at 31.03.2021	Cash Flow	Non-cash Changes	As at 31.03.2022
Non-Current Borrowing	19,009.16	(4,532.57)	-	14,476.59
Current Borrowing	3,393.26	7,955.96	-	11,349.22
<b>Total</b>	<b>22,402.42</b>	<b>3,423.39</b>	-	<b>25,825.81</b>

3. Figures in bracket indicate cash outflow.

**In terms of our Audit Report of even date: For and on behalf of the Board of Directors**
**For K G SOMANI & CO LLP**

 Chartered Accountants  
 FRN - 06591N/N500377

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

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

 Sd/-  
**Vinod Kumar Somani**  
 Partner  
 M.No. 085277

 Sd/-  
**Shaleen Toshniwal**  
 DIN : 00246432  
 Jt. Managing Director

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

 Place : New Delhi  
 Dated : 15<sup>th</sup> May 2023

 Sd/-  
**Kavita Gandhi**  
 Chief Financial Officer  
 Place : Mumbai  
 Dated : 15<sup>th</sup> May 2023

 Sd/-  
**H. P. Kharwal**  
 Company Secretary  
 ACS28614

Statement of changes in Equity for the year ended 31<sup>st</sup> March 2023

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60
Change During the Year (refer note no. 18.5)	1,71,16,042	-	-	-
Balance at the end of the year	3,42,32,084	1,711.60	1,71,16,042	1,711.60

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2022</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>19,137.10</b>	<b>16,013.24</b>	<b>38,302.77</b>
Profit for the year	-	-	-	-	11,141.26	11,141.26
Other comprehensive income	-	-	-	-	179.25	179.25
Total comprehensive income	-	-	-	-	11,320.51	11,320.51
Transfer from Surplus	-	-	-	-	-	-
Dividends on Equity Shares for the year	-	-	-	-	(427.90)	(427.90)
<b>As at 31<sup>st</sup> March 2023</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>19,137.10</b>	<b>26,905.85</b>	<b>49,195.38</b>

(₹ in Lakhs)

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

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

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

## For K G SOMANI &amp; CO LLP

Chartered Accountants  
FRN - 06591N/N500377

Sd/-

## Vinod Kumar Somani

Partner  
M.No. 085277

Place : New Delhi

Dated : 15<sup>th</sup> May 2023

Sd/-

## Rakesh Mehra

DIN : 00467321

Chairman

Sd/-

## Shaleen Toshniwal

DIN : 00246432

Jt. Managing Director

Sd/-

## Kavita Gandhi

Chief Financial Officer

Place : Mumbai

Dated : 15<sup>th</sup> May 2023

Sd/-

## Ravindra Kumar Toshniwal

DIN : 00106789

Managing Director

Sd/-

## P. Kumar

DIN : 00179074

Chairman (Audit Committee)

Sd/-

## H. P. Kharwal

Company Secretary

ACS28614

## 1. Overview & Significant Accounting Policies

### A. Corporate Information

Banswara Syntax Limited (“the Company”) is a Company domiciled in India and limited by shares (CIN: L24302RJ1976PLC001684). The shares of the Company are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Company’s registered office is Industrial Area, Dahod Road, Banswara Rajasthan.

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

These financial statements were authorized for issue by Board of Directors on 15 May 2023.

### B. Basis of Preparation of Financial Statement

#### 1. Compliance with Ind AS

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

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

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

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

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

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

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

On March 31<sup>st</sup>, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

#### 4. Functional and presentation currency

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

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

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

## C. Significant accounting policies

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

### 1. Property, plant & equipment

#### 1.1. Initial recognition and measurement

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

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

Freehold land is carried at cost.

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

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

#### 1.2. Subsequent costs

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

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

#### 1.3. Derecognition

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

#### 1.4. Depreciation

Depreciation is recognized in statement of profit and loss on Straight Line Method (SLM) over the estimated useful life of property, plant and equipment as mentioned in Schedule II of the Companies Act, 2013, except in case of Plant & Machinery where the useful life has been taken as ascertained by the Independent Chartered Engineer or technical

experts of the Company. The useful life of the Plant & Machinery so ascertained is ranging from 5 to 30 years on triple shift basis in certain plants as against the life of 15 years given in Part C of Schedule II of the Companies Act, 2013. Further, considering materiality of assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. The Company provide pro-rata depreciation from/to the date on which asset is acquired or put to use/ disposed off as appropriate.

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

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

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

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

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

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

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

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

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

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

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

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

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

### **3.2. Subsequent costs**

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

### **3.3. Derecognition**

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

### **3.4. Amortization**

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

## **4. Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses



are complete. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 116 – 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

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

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

Equity Investment in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of Investment in subsidiaries, the difference between net disposal proceeds and the carrying amount are recognized in the Statement of profit and loss.

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

#### **6. Inventories**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

## **11. Revenue**

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

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

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

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions and incentives, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Payments from customers for the goods and services rendered are normally received within the credit terms as per the contracts with the customers.

The Company recognizes sales return only when the goods are actually returned by the customer. Therefore, a refund liability which is included in current financial liabilities or is reduced from current financial assets, is recognized for the goods actually returned.

Revenue from sale of goods is recognized at the point of time when the significant risks and rewards are transferred to the customer and the Company ceases to have its control over the goods.

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

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

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

### **Other Export Benefit**

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

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

### Interest Income

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

### Dividend

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

### Other Income

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

### Variable consideration

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

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

### Contract assets

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

### Trade receivables

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

### Contract liabilities

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

## 12. Employee Benefits

### 12.1 Short Term Employee Benefit

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

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

### 12.2. Post-Employment benefits

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

#### 12.2.1. Defined contribution plans

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

### 12.2.2. Defined benefit plans

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

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

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

### 12.3 Other long-term employee benefits

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

## 13. Taxes

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

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

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

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

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

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

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

## 14. Leases

### As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is

initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in the statement of financial position. (Refer note 3 & 21 respectively)

#### **Short-term leases and leases of low-value assets**

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

#### **Arrangements in the nature of lease**

The Company enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Company applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

### **15. Impairment of Non-financial Assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### **16. Dividends**

Final dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

#### **17. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

#### **18. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### **19. Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows.

#### **20. Financial instruments**

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

##### **20.1. Financial assets**

###### **Initial recognition and measurement**

Except for trade receivables all financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through statement of profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset. Purchase or sales of financials assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Company commits to purchase or sell the assets.

Trade receivables that do not contain a significant financing component are initially recognized/measured at the transaction price.

###### **Subsequent measurement**

###### **Debt instruments at amortized cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate method ("EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.



**Debt instrument at FVTOCI (Fair Value through OCI)**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On Derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL (Fair value through profit or loss)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

**Equity investments**

All equity investments in entities are measured (except equity investment in joint venture and subsidiary) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However the company may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments in joint ventures are measured at cost.

Equity Investment in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of Investment in subsidiaries, the difference between net disposal proceeds and the carrying amount are recognized in the Statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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

**Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right or receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 if they do not contain a significant financing component.
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### **Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Derivative financial instruments**

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rate and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

## **D. Major Estimates made in preparing Financial Statements**

### **1. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Intangible assets is being amortized on straight line basis over the period of six years.

### **2. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

**3. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter. In the similar line, management also on the basis of best judgment and estimate determines the net realizable value of the Inventories to make necessary provision.

**4. Asset Held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

**NOTE NO. '2' NON CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	Ast at 31.03.2023	As at 31.03.2023
Free Hold Land	874.61	-	-	874.61	-	-	-	-	874.61
Building (Refer Note Below)	14,034.49	1,792.19	-	15,826.68	2,751.68	489.12	-	3,240.81	12,585.87
Plant & Equipment	38,601.22	6,735.04	311.61	45,024.66	21,729.55	3,001.49	212.63	24,518.41	20,506.24
Electric & Water Supply Installation	1,262.30	235.49	-	1,497.79	833.83	95.92	-	929.76	568.03
Furniture & Fixtures	546.38	142.31	3.35	685.34	387.34	51.77	1.71	437.40	247.94
Office Equipments	601.40	142.09	0.11	743.38	467.42	57.26	-	524.68	218.70
Vehicles	639.12	338.95	106.02	872.04	161.16	93.61	78.95	175.81	696.23
Capital Spares	922.23	296.91	-	1,219.14	509.17	127.04	-	636.21	582.93
<b>TOTAL</b>	<b>57,481.75</b>	<b>9,682.98</b>	<b>421.09</b>	<b>66,743.64</b>	<b>26,840.15</b>	<b>3,916.21</b>	<b>293.29</b>	<b>30,463.08</b>	<b>36,280.54</b>

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Ast at 31.03.2022	As at 31.03.2022
Free Hold Land	934.11	-	59.50	874.61	-	-	-	-	874.61
Building	14,313.69	-	279.21	14,034.48	2,373.88	476.46	98.67	2,751.67	11,282.81
Plant & Equipment	39,830.71	1,548.86	2,778.35	38,601.22	20,924.48	3,209.68	2,404.61	21,729.55	16,871.66
Electric & Water Supply Installations	1,261.52	0.79	-	1,262.30	723.03	110.81	-	833.84	428.46
Furniture & Fixtures	538.55	16.59	8.76	546.38	353.62	41.85	8.14	387.33	159.05
Office Equipments	563.72	43.70	6.02	601.40	426.92	46.22	5.72	467.42	133.98
Vehicles	469.03	316.33	146.24	639.12	226.69	54.86	120.39	161.16	477.96
Capital Spares	620.34	301.90	-	922.24	419.38	89.79	-	509.17	413.06
<b>TOTAL</b>	<b>58,531.67</b>	<b>2,228.17</b>	<b>3,278.08</b>	<b>57,481.75</b>	<b>25,448.00</b>	<b>4,029.67</b>	<b>2,637.53</b>	<b>26,840.14</b>	<b>30,641.60</b>

Note :- The Company has also been allotted 876 Equity shares of M/s Rastogi Estate & Construction Co. (Pvt.) Ltd. to establish permanent ownership in respect of Building situated at Mumbai.

Property, Plant and Equipments were pledged as security against the Secured Borrowings (Refer Note No 49)

**NOTE NO. '3' NON CURRENT ASSETS: RIGHT OF USE ASSET (ROU)**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	Ast at 31.03.2023	As at 31.03.2023
(Refer Note no 43)									
Land	352.00	-	-	352.00	34.79	6.66	-	41.45	310.56
Buildings	372.58	36.02	129.45	279.14	144.71	63.19	122.83	85.07	194.07
Plant & Machinery	56.49	-	24.62	31.87	30.20	3.19	24.62	8.76	23.10
<b>TOTAL</b>	<b>781.07</b>	<b>36.02</b>	<b>154.07</b>	<b>663.01</b>	<b>209.70</b>	<b>73.04</b>	<b>147.45</b>	<b>135.28</b>	<b>527.73</b>

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Ast at 31.03.2022	As at 31.03.2022
(Refer Note no 43)									
Land	352.00	-	-	352.00	28.14	6.66	-	34.79	317.21
Buildings	129.41	256.85	13.68	372.58	98.67	56.63	10.59	144.71	227.87
Plant & Machinery	56.49	-	-	56.49	22.91	7.29	-	30.20	26.29
<b>TOTAL</b>	<b>537.90</b>	<b>256.85</b>	<b>13.68</b>	<b>781.07</b>	<b>149.72</b>	<b>70.58</b>	<b>10.59</b>	<b>209.70</b>	<b>571.37</b>

**NOTE NO. '4' NON CURRENT ASSETS: CAPITAL WORK-IN-PROGRESS**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2022	Additions	Capitalized	As at 31.03.2023
<b>Capital Work In Progress for</b>				
- Buildings	1,126.82	2,222.80	1,792.19	1,557.43
- Plant & Equipments	1,605.82	5,705.66	6,735.04	576.44
- Water & Electric Installation	96.55	164.65	235.49	25.71
- Furniture and Fixtures	-	142.31	142.31	-
- Office Equipements	2.44	139.65	142.09	-
- Vehicles	-	338.95	338.95	-
- Computer & Printers	-	-	-	-
- Capital Spares	59.98	262.29	296.91	25.36
<b>TOTAL</b>	<b>2,891.61</b>	<b>8,976.31</b>	<b>9,682.98</b>	<b>2,184.94</b>

During the year the Company has capitalized Interest as per IND AS- 23 "Borrowing Cost"

(₹ In Lakhs)

DESCRIPTION OF ASSETS	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
- Buildings	35.11	23.47
- Plant & Equipments	67.50	-
<b>Total</b>	<b>102.61</b>	<b>23.47</b>

Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,184.94	-	-	-	2,184.94
	<b>2,184.94</b>	-	-	-	<b>2,184.94</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	As at 31.03.2022
<b>Capital Work In Progress for</b>				
- Buildings	7.84	1,118.98	-	1,126.82
- Plant & Equipments	15.97	3,138.71	1,548.86	1,605.82
- Water & Electric Installations	-	97.33	0.79	96.54
- Furniture and Fixtures	-	16.59	16.59	-
- Office Equipements	-	43.70	43.70	-
- Vehicles	-	316.33	316.33	-
- Computer & Printers	-	2.44	-	2.44
- Capital Spares	3.61	358.27	301.90	59.98
<b>TOTAL</b>	<b>27.42</b>	<b>5,092.35</b>	<b>2,228.17</b>	<b>2,891.60</b>

Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,891.60	-	-	-	2,891.60
	<b>2,891.60</b>	-	-	-	<b>2,891.60</b>

**NOTE NO. '5' NON CURRENT ASSETS: OTHER INTANGIBLE ASSETS**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	Up to 31.03.2023	As at 31.03.2023
Computer Software	546.87	12.50	-	559.37	317.80	87.83	-	405.64	153.73
	<b>546.87</b>	<b>12.50</b>	-	<b>559.37</b>	<b>317.80</b>	<b>87.83</b>	-	<b>405.64</b>	<b>153.73</b>

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Up to 31.03.2022	As at 31.03.2022
Computer Software	525.91	20.96	-	546.87	232.06	85.74	-	317.80	229.07
	<b>525.91</b>	<b>20.96</b>	-	<b>546.87</b>	<b>232.06</b>	<b>85.74</b>	-	<b>317.80</b>	<b>229.07</b>

**Intangible assets under development**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2022	Additions	Capitalized	Written Off/ Discard	As at 31.03.2023
- Software	-	6.25	-	-	6.25
<b>TOTAL</b>	-	<b>6.25</b>	-	-	<b>6.25</b>

**NOTE NO. '6' NON CURRENT FINANCIALS ASSETS : INVESTMENT IN SUBSIDIARY AND JOINT VENTURES**

(₹ in Lakhs)

Particulars	No.of shares/ C.Y./ (P.Y.)	Face value per share/ C.Y./ (P.Y.)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unquoted Investment in Equity Instrument fully paid up (valued at cost) In Joint Venture</b>				
Tesca Textiles & Seat Components (India) Private Limited	3413802 (3236000)	10 (10)	554.90	466.00
<b>In wholly owned subsidiary</b>				
Banswara Brands Private Limited	260000	10	26.00	-
<b>Aggregate value of Unquoted Investment</b>			<b>580.90</b>	<b>466.00</b>
<b>C.Y. = Current Year ; P.Y. = Previous Year</b>			<b>580.90</b>	<b>466.00</b>

**NOTE NO. '7' OTHER NON CURRENT FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considered Good</b>		
Security Deposits	344.63	347.19
Term deposits held as margin money* (with maturity more than 12 months)	160.22	131.99
Term deposits held against Deposit Repayment Reserve (with maturity more than 12 months)	207.28	122.98
Other Term Deposits (with maturity more than 12 months)	47.84	56.60
Interest Accured on Term deposits	6.25	6.36
<b>TOTAL</b>	<b>766.22</b>	<b>665.12</b>

\*To avail Non fund based facilities from banks

**NOTE NO. '8' INCOME TAX ASSETS (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance payment of Income tax (net)	1,748.75	1,515.16
	<b>1,748.75</b>	<b>1,515.16</b>

**NOTE NO. '9' OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considerd Good</b>		
Capital Advances	2,154.06	836.49
<b>Other</b>		
Lease Equalization Asset	2.19	1.65
Balance with Government Authorities	11.00	11.00
Prepaid Expenses	19.71	7.66
<b>TOTAL</b>	<b>2,186.96</b>	<b>856.80</b>

**NOTE NO. '10' INVENTORIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(At the lower of Cost and Net Realizable Value)		
Raw Materials	9,606.71	9,581.98
Works-in-Progress	5,752.52	6,247.14
Finished goods	14,058.79	9,592.43
Stores & Spares	1,883.72	2,306.12
Waste	92.45	161.23
<b>TOTAL</b>	<b>31,394.19</b>	<b>27,888.90</b>

**The above inventories includes goods in transit as under**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Stores & Spares	66.66	-
<b>TOTAL</b>	<b>66.66</b>	<b>-</b>

10.1 Inventories include stocks lying with third parties ₹ 269.35 Lakhs (Previous Year ₹ 199.30 Lakhs)

10.2 Inventories are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.



**NOTE NO. '11' CURRENT FINANCIAL ASSETS: INVESTMENTS**

(₹ in Lakhs)

Particulars	No. of shares/ C.Y./ (P.Y.)	Face value per share/units C.Y./ (P.Y.)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Measured at fair value through Statement of profit and loss Quoted</b>				
<b>In Equity Shares</b>				
Union Bank of India	10114 (10114)	10 (10)	6.72	3.91
<b>Unquoted</b>				
<b>In Equity Shares</b>				
Ambojini Property Developers Private Limited	360 (360)	10 (10)	0.07	0.07
<b>Unquoted</b>				
<b>In Debentures</b>				
10% Ambojini Property Developers Private Limited	3542 (3542)	100 (100)	6.97	6.97
Less : Impairment of Investments			(7.04)	(7.04)
<b>TOTAL</b>			<b>6.72</b>	<b>3.91</b>

C.Y. = Current Year ; P.Y. = Previous Year ;

(₹ In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>In Equity (Quoted)</b>		
Aggregate Book Value	18.87	18.87
Aggregate Market Value	6.72	3.91
Impaired	12.15	14.96
<b>In Equity (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	0.07	0.07
<b>In Debenture (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	6.97	6.97

**NOTE NO. '12' CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade receivables, Unsecured</b>		
- Trade Receivables considered good	21,176.84	12,613.54
- Trade Receivables which have significant increase in credit risk	36.30	30.93
- Trade Receivables-credit impaired	1,296.90	1,357.91
	22,510.04	14,002.38
Less: Impairment allowance for doubtful trade receivables	1,296.90	1,357.91
<b>TOTAL</b>	<b>21,213.14</b>	<b>12,644.47</b>

**For Trade Receivables outstanding ageing schedule**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	21,176.84	-	-	-	-	21,176.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	19.40	16.90	-	-	-	36.30
(iii) Undisputed Trade Receivables – credit impaired	512.95	245.40	4.44	-	60.12	822.91
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	473.98	473.98
<b>Total</b>	<b>21,709.19</b>	<b>262.30</b>	<b>4.44</b>	<b>-</b>	<b>534.10</b>	<b>22,510.04</b>

**For Trade Receivables outstanding ageing schedule**As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	12,613.54	-	-	-	-	12,613.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	14.08	6.02	10.84	-	-	30.93
(iii) Undisputed Trade Receivables – credit impaired	281.22	273.96	144.09	103.56	206.51	1,009.34
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	9.01	339.57	348.57
	<b>12,908.84</b>	<b>279.97</b>	<b>154.92</b>	<b>112.57</b>	<b>546.08</b>	<b>14,002.38</b>

a) Trade receivables are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.

**b) Amount Receivables from Related Parties (Refer Note 47)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Tesca Textiles & Seat Components (India) Private Limited (A Joint Venture Company)	817.62	455.64
Banswara Brands Private Limited	0.35	-
Aanswr Fashion Private Limited	347.42	135.05

**MOVEMENT IN IMPAIRMENT ALLOWANCE FOR DOUBTFUL TRADE RECEIVABLE**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balance at the beginning of the year	1,357.91	1,537.97
Add: Impairment allowance for Doubtful Debts recognised	-	-
Less: Impairment allowance for Doubtful Debts Utilised	61.01	180.06
Less: Impairment allowance for Doubtful Debts Written Back	-	-
Balance at the end of the year	1,296.90	1,357.91

**NOTE NO. '13' CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Balances with Banks</b>		
-Current Account	1,415.66	1,828.72
<b>B. Cash On Hand</b>	44.79	46.19
<b>TOTAL</b>	<b>1,460.45</b>	<b>1,874.91</b>

**NOTE NO '14' BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Unpaid Dividend Account	23.91	22.18
Unspent CSR Account	-	7.84
Term Deposits held as margin money* (with maturity more than 3 months & less than 12 months)	1,545.38	501.98
Term deposits held against Deposit Repayment Reserve (with maturity more than 3 months & less than 12 months)	122.98	280.72
Other Term Bank Deposits (with maturity more than 3 months & less than 12 months)	493.78	28.36
Interest Accrued on Term deposits	71.67	26.06
<b>TOTAL</b>	<b>2,257.72</b>	<b>867.14</b>

\*To avail Non fund based facilities from banks.

**NOTE NO. '15' CURRENT FINANCIAL ASSETS: LOANS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considered good</b>		
Loans & Advances to Employees	170.31	123.24
Loan to wholly owned subsidiary (Banswara Brands Private Limited)@	72.69	-
<b>TOTAL</b>	<b>243.00</b>	<b>123.24</b>

@ includes Interest Receivables of ₹ 1.87 Lakhs and Carry Rate of Interest 8% pa which is payable within one year. Interest Income is recognized under "Other Income"

**NOTE NO. '16' OTHER CURRENT FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, considered good</b>		
Forward Contract Receivables	8.28	43.86
Other Claim Receivables	337.38	181.94
Export Incentive Receivables	636.06	1,520.60
<b>TOTAL</b>	<b>981.72</b>	<b>1,746.40</b>

**NOTE NO. '17' OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, considered good, unless otherwise stated</b>		
Advance to Suppliers : Considered Good	2,602.61	2,094.60
Advance to Suppliers : Considered Doubtful	29.35	-
Recoverable from Revenue Authorities : Considered Good	2,044.02	3,126.84
Recoverable from Revenue Authorities : Considered Doubtful	53.84	29.57
Prepaid Expenses	209.13	151.92
	<b>4,938.93</b>	<b>5,402.93</b>
Impairment allowance for doubtful recoverable from revenue authorities and Suppliers	83.18	29.57
<b>TOTAL</b>	<b>4,855.75</b>	<b>5,373.36</b>

**NOTE NO. '18 EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorized</b>		
12,17,00,000 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	6,085.00	6,085.00
(6,08,50,000 Equity Shares of ₹ 10/- each as at 31 March 2022)		
5,00,000 3% Redeemable Preference Shares of ₹ 100/- each	500.00	500.00
(5,00,000, 3% Redeemable Preference Share of ₹ 100/- each as at 31 March 2022)		
3,00,000 3% Redeemable Cumulative Preference Shares of ₹ 100/- each (3,00,000 3% Redeemable Cumulative Preference Share of ₹ 100/- each As at 31 March 2022)	300.00	300.00
	<b>6,885.00</b>	<b>6,885.00</b>
<b>Issued</b>		
3,42,86,114 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	1,714.31	1,714.31
(1,71,43,057 Equity Shares of ₹ 10/- each as at 31 March 2022)		
	1,714.31	1,714.31
<b>Subscribed and fully paid</b>		
3,42,32,084 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	1,711.60	1,711.60
(1,71,16,042 Equity Shares of ₹ 10/- each as at 31 March 2022)		
	<b>1,711.60</b>	<b>1,711.60</b>

**18.1 Reconciliation of Number of Equity Shares Outstanding**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>At the beginning of the year</b>	1,71,16,042	1,71,16,042
Change During the Year (refer note no. 18.5)	1,71,16,042	-
<b>At the end of the year</b>	<b>3,42,32,084</b>	<b>1,71,16,042</b>

**18.2 Rights, preferences and restrictions to the shareholders : Equity Shares**

All equity shareholders are having right to get dividend in proportion to paid up value of each equity share as and when declared.

The Company has equity shares having at face value of ₹ 5 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**18.3a Shares held by promoters at the end of the year**

Promoter name	No. of Shares as of 31 <sup>st</sup> March, 2023	%of total shares of 31 <sup>th</sup> March, 2023	% Change during the year
1 Smt. Kavita Soni	10,38,106	3.03	(12.63)
2 Shri Shaleen Toshniwal	42,81,490	12.51	-
3 Smt.Sonal Toshniwal	16,66,110	4.87	-
4 Smt.Navnita Mehra	7,54,211	2.20	(37.42)
5 Shri Ravindra Kumar Toshniwal	44,97,334	13.14	-
6 Smt.Prem Toshniwal	17,92,718	5.24	-
7 Smt.Radhika Toshniwal	23,64,964	6.91	-
8 Shri Dhruv Ravindra Kumar Toshniwal	-	-	(100.00)
9 Shri Udit Ravindra Toshniwal	1,20,740	0.35	(39.63)
10 Shri Rakesh Mehra	12,122	0.04	-
11 Niral Trading Pvt. Ltd.	11,23,330	3.28	-
12 Lawson Trading Company Pvt. Ltd.	8,10,036	2.37	-
13 Moonfine Trading Company Pvt. Ltd.	3,89,000	1.14	-
14 Speedshore Trading Company Pvt. Ltd.	4,05,472	1.18	-

**18.3b Shares held by promoters at the end of the year**

Promoter name	No. of Shares as of 31 <sup>st</sup> March, 2022	%of total shares of 31 <sup>th</sup> March, 2022	% Change during the year	No. of Shares as of 1 <sup>st</sup> April 2021	%of total shares of 1 <sup>st</sup> April 2021
1 Smt. Kavita Soni	5,94,053	3.47	(1.33)	6,02,075	3.52
2 Shri Shaleen Toshniwal	21,40,745	12.51	-	21,40,745	12.51
3 Smt.Sonal Toshniwal	8,33,055	4.87	-	8,33,055	4.87
4 Smt.Navnita Mehra	6,02,638	3.52	-	6,02,638	3.52
5 Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-	22,48,667	13.14
6 Smt.Prem Toshniwal	8,96,359	5.24	-	8,96,359	5.24
7 Smt.Radhika Toshniwal	11,82,482	6.91	-	11,82,482	6.91
8 Shri Dhruv Ravindra Kumar Toshniwal	85,000	0.50	(15.00)	1,00,000	0.58
9 Shri Udit Ravindra Toshniwal	1,00,000	0.58	-	1,00,000	0.58
10 Shri Rakesh Mehra	6,061	0.04	-	6,061	0.04
11 Niral Trading Pvt. Ltd.	5,61,665	3.28	-	5,61,665	3.28
12 Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-	4,05,018	2.37
13 Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-	1,94,500	1.14
14 Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-	2,02,736	1.18

**18.4 Details of Shareholder's holding more than 5% of each class of shares issued by the Company -**

Name of shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares	% of Shares	No. of Shares	% of Shares
<b>Equity Shares</b>				
Shri Ravindra Kumar Toshniwal	44,97,334	13.14	22,48,667	13.14
Shri Shaleen Toshniwal	42,81,490	12.51	21,40,745	12.51
Smt. Radhika Toshniwal	23,64,964	6.91	11,82,482	6.91
Smt. Prem Toshniwal	17,92,718	5.24	8,96,359	5.24
Cofipalux Invest S A	22,63,574	6.61	11,31,787	6.61

**18.5 - Share Split Detail**

The Company has sub divided its 171.16 lakhs equity shares of face value of ₹ 10/- each fully paid up into 342.32 Lakhs equity shares of face value of ₹ 5/- each fully paid up w.e.f. 08 September 2022 as recommended by the Board of Directors and approved by the share holders of the Company in the Annual General Meeting held on 30 July 2022.

## NOTE NO. '19' OTHER EQUITY

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(A) Capital Reserve</b>		
Opening Balance	20.43	20.43
Closing Balance	20.43	20.43
<b>(B) Capital Redemption Reserve</b>		
Opening Balance	173.00	173.00
Closing Balance	173.00	173.00
<b>(C) Securities Premium</b>		
Opening balance	2,959.00	2,959.00
Closing Balance	2,959.00	2,959.00
<b>(D) General Reserve</b>		
Opening Balance	19,137.10	19,137.10
Add: Transfer from Retained Earnings	-	-
Closing Balance	19,137.10	19,137.10
<b>(E) Retained Earnings</b>		
Opening Balance	16,013.24	11,735.63
Add : Profit for the year	11,141.26	4,673.78
Add: Remeasurment Gain/(Loss) of defined benefit plan	179.25	(139.43)
Less : Transfer to General Reserve	-	-
Less : Final Dividend on Equity Shares	427.90	256.74
	26,905.85	16,013.24
<b>Total</b>	<b>49,195.38</b>	<b>38,302.77</b>

**Nature & Purpose of the Reserve:**

**(A) Capital reserve:** Capital reserve created on account of merger/amalgamation. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(B) Capital redemption reserve:** Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(C) Securities premium:** Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Companies Act, 2013.

**(D) General reserve:** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**(E) Retained earnings:** The balance consists of surplus retained from earned profits after payment of dividend and tax thereon. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurement are not re-classified to the statement of profit and loss in subsequent period.

**NOTE NO. 20' NON CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Term Loan (Secured)</b>		
From Banks	14,281.54	12,365.04
Less: Current Maturity of Long term Debt (refer note no 25)	3,029.66	3,551.07
<b>Total (I)</b>	<b>11,251.88</b>	<b>8,813.97</b>
<b>Fixed Deposits (Unsecured)</b>		
From Directors (Including Independent Directors)	166.74	213.56
From Others {Includes ₹ 779.01 Lakhs (Previous years ₹ 572.40 Lakhs) from related parties}	2,361.40	2,006.08
	2,528.14	2,219.64
Less: Current Maturity of Long term Debt (refer note no 25)	1,422.14	403.64
<b>Total (II)</b>	<b>1,106.00</b>	<b>1,816.00</b>
<b>Total (III)=(I)+(II)</b>	<b>12,357.88</b>	<b>10,629.97</b>

**Repayment Schedule of Term Loan Payments**

(₹ in Lakhs)

Term loan from Banks			Outstanding as on 31 <sup>st</sup> March, 2023			
Date of maturity	Rate of Interest	Term of Repayment	Total Outstanding	Long term Maturity	Current Maturity	Installment due aft. 31 <sup>st</sup> Mar 2023
31 March 2026	10.25%	Quartely	698.87	505.87	193.00	12
30 September 2025	10.25%	Quartely	192.78	128.78	64.00	10
30 June 2023	8.40%	Quartely	30.54	0.00	30.54	1
31 March 2027	7.90%	Monthly	880.19	660.00	220.19	48
30 November 2025	9.30%	Monthly	1,917.16	1,197.87	719.29	32
31 March 2025	8.70%	Quartely	800.20	400.01	400.19	8
30 September 2026	8.70%	Quartely	981.23	762.23	218.99	14
31 March 2026	8.70%	Quartely	377.80	277.71	100.09	12
31 December 2027	8.40%	Quartely	867.34	738.59	128.75	19
31 December 2027	8.40%	Quartely	384.19	325.60	58.59	19
31 March 2028	8.75%	Quartely	724.69	574.52	150.17	20
31 December 2029	8.75%	Quartely	1,137.70	968.67	169.03	27
31 December 2023	9.00%	Monthly	268.97	-	268.97	9
30 September 2029	8.11%	Monthly	5,019.88	4,712.02	307.86	66
<b>Total</b>			<b>14,281.54</b>	<b>11,251.88</b>	<b>3,029.66</b>	



(₹ in Lakhs)

Term loan from Banks			Outstanding as on 31 <sup>st</sup> March, 2022			
Date of maturity	Rate of Interest	Term of Repayment	Total Outstanding	Long term Maturity	Current Maturity	Installment due aft. 31 <sup>st</sup> Mar 2022
31 December 2022	11.50%	Quartely	251.92	-	251.92	3
31 March 2026	9.35%	Quartely	866.87	698.87	168.00	16
30 September 2025	9.35%	Quartely	248.78	192.78	56.00	14
02 April 2022	8.60%	Monthly	483.70	360.20	123.50	1
30 June 2023	9.70%	Quartely	456.62	154.00	302.62	6
30 September 2022	9.10%	Quartely	125.00	-	125.00	2
30 June 2022	7.80%	Quartely	363.19	-	363.19	3
30 November 2025	8.25%	Monthly	2,654.33	1,916.62	737.71	44
31 March 2025	9.10%	Quartely	1,050.27	800.01	250.26	12
30 September 2026	9.10%	Quartely	1,178.17	980.99	197.17	18
31 March 2026	9.10%	Quartely	467.83	377.71	90.12	16
31 December 2027	9.10%	Quartely	988.38	867.14	121.25	23
31 December 2027	9.10%	Quartely	439.21	384.10	55.11	23
31 March 2028	9.10%	Quartely	842.69	692.48	150.21	24
31 December 2029	9.10%	Quartely	1,273.73	1,104.65	169.08	31
31 December 2023	7.85%	Monthly	670.81	284.42	386.39	21
06 April 2022	8.25%	Quartely	3.54	-	3.54	1
<b>Total</b>			<b>12,365.04</b>	<b>8,813.97</b>	<b>3,551.07</b>	

**A. Securities for Term Loan from Banks:**

- (i) Terms Loans from Banks are secured by a joint equitable mortgage and /or hypothecation charges ranking pari-passu on immovable/movable properties situated at Banswara, Daman and Surat, both present and future of the Company and are also secured by second charge on current assets of the Company ranking pari-passu.
- (ii) Term Loans from Banks amounting to ₹ 5,303.69 Lakhs (Previous Year ₹ 6,821.90 Lakhs) are guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per sanctions of the respective Financial Institutions and Banks.

**B. For Fixed deposits**

- (i) Fixed Deposits accepted by the Company are in accordance with the provisions of section 73(2)(a) and section 76 of the Companies Act, 2013 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 are unsecured. Fixed Deposits are repayable within 1 to 3 years depending upon the terms of deposits.
- (ii) Fixed Deposits Interest rate ranging from 8.50% to 9.50% (Previous Year 8.50% to 9.50%).

**NOTE NO. '21' NON CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Lease Liability</b>	221.36	254.21
Less : Current Maturities	66.27	56.26
Long term maturities	<b>155.09</b>	<b>197.95</b>
<b>Lease Liability Secured</b>	3.10	14.65
<b>Lease Liability Unsecured</b>	151.99	183.30
<b>Total</b>	<b>155.09</b>	<b>197.95</b>

**NOTE NO. '22' NON CURRENT LIABILITIES: PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provisions for Employee benefits</b>		
-Gratuity	246.95	221.61
Less : Short Term	93.30	76.10
	153.65	145.51
-Leave Encashment	374.12	353.44
Less : Short Term	119.85	101.63
	254.27	251.81
<b>Total</b>	<b>407.92</b>	<b>397.32</b>

(₹ In Lakhs)

<b>As of 31<sup>st</sup> March, 2023</b>		
<b>Movement of Provision as required by Para 84 of IND AS 37</b>	<b>Gartuity</b>	<b>Leave Encashment</b>
Opening Balance	221.61	353.44
Add : Expenses Charged to Statement of Profit and Loss	566.64	64.92
Less : Contribution paid	301.77	44.25
Less: Other Comprehensive Income(OCI) Gain	239.53	-
<b>Closing Balance</b>	<b>246.95</b>	<b>374.11</b>

(₹ In Lakhs)

<b>As of 31<sup>st</sup> March, 2022</b>		
<b>Movement of Provision as required by Para 84 of IND AS 37</b>	<b>Gartuity</b>	<b>Leave Encashment</b>
Opening Balance	14.83	232.40
Add : Expenses Charged to Statement of Profit and Loss	387.64	183.35
Less : Contribution paid	395.20	62.31
Add: Other Comprehensive Income(OCI) Loss	214.33	-
<b>Closing Balance</b>	<b>221.60</b>	<b>353.45</b>

**NOTE NO. '23' NON CURRENT LIABILITIES: DEFERRED TAX LIABILITIES (Net)**

Considering accounting procedure prescribed by the IND AS 12 "Income Taxes", the following amounts have been worked out and provided in books:

**Major components of deferred tax balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>		
i) Difference between accounting and tax depreciation	2,704.57	3,857.85
<b>Sub total (a)</b>	<b>2,704.57</b>	<b>3,857.85</b>
<b>Deferred Tax Assets</b>		
i) Provision for doubtful Trade Receivables /Advances	326.40	474.51
ii) Disallowances under section 43B of Income Tax, 1961	311.04	468.72
iii) Employee Benefits	156.31	200.95
iv) Deferred Tax on Account of Deferred Government Grant	44.12	69.64
v) Lease Equilization Assets	0.55	0.58
<b>Sub total (b)</b>	<b>838.42</b>	<b>1,214.40</b>
Less : MAT Credit Entitlement (C)*	-	32.14
<b>Deferred Tax Liabilities (Net) (a)-(b)-(C)</b>	<b>1,866.15</b>	<b>2,611.31</b>

\*Derecognised on utilising the option for the application of section 115BAA of the Income Tax Act 1961

**NOTE NO. '24' GOVERNMENT GRANT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non Current</b>		
Deferred Income	452.30	538.90
<b>Current</b>		
Deferred Income	84.47	82.34
<b>Total</b>	<b>536.77</b>	<b>621.24</b>

**Government Grant : Movement during the year :-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>At the beginning of the year</b>	621.24	671.54
Add: Received during the Year	-	32.04
Less: Transferred to statement of profit and loss	84.47	82.34
<b>As the end of the year</b>	<b>536.77</b>	<b>621.24</b>

**NOTE NO. '25' CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>From Banks (Secured)</b>		
<b>Loan Repayable on Demand</b>		
Cash Credit and Export Packing Credit Facilities	20,309.76	9,349.37
<b>Unsecured Loan from</b>		
Bank	-	1,999.85
<b>Current Maturities of Long Term Borrowings and Fixed Deposit</b>		
Term Loans (Secured)	3,029.67	3,551.07
Fixed Deposit (Unsecured)	1,422.14	403.64
<b>Total</b>	<b>24,761.57</b>	<b>15,303.93</b>

**Terms and Condition****Secured Loan****25.1 Securities and Guarantees**

- (i) Cash Credit Facility and Export Packing Credit Facility from banks are secured by way of hypothecation (Floating charges) of Raw material, Dyes-Chemicals, Packing Materials, Stores & Spares, Stock-in-process, Finished goods, Book debts, Export Incentives and second charge on all the Property, Plant and Equipments (situated at Banswara, Daman & Surat) of the Company and also guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities.
- (ii) Cash Credit Facility and Export Packing Credit Facility Interest rate ranging from 6.00 % to 8.40 % (Previous Year from 6.25 to 9.10%).

**NOTE NO. '26' CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Liability Secured	3.10	11.54
Lease Liability Unsecured	63.17	44.72
<b>Total</b>	<b>66.27</b>	<b>56.26</b>

**NOTE NO. '27' CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Micro and Small Enterprises@	675.59	271.83
Others	8,160.91	10,435.08
<b>Total</b>	<b>8,836.50</b>	<b>10,706.91</b>

@ The figures have been disclosed on the basis of information received from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 and/or based on the information available with the Company.

**27.1 Details of Dues to Micro Enterprises and Small Enterprises**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Principal amount due to suppliers registered under the Micro Enterprises and Small Enterprise Development Act, 2006, and remaining unpaid as at year end	675.59	271.83
Amount of Interest due to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, Act and remaining unpaid as at year end	2.32	1.25
Principal amounts paid to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	329.56	51.78
Amount of Interest paid, under the Micro Small and Medium Enterprise Development Act, 2006, to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, for payment already made	2.96	1.26

**Trade Payables aging schedule as at 31<sup>st</sup> March 2023**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	390.30	0.76	6.12	1.19	398.37
(ii) Others	7,746.11	113.18	74.87	224.52	8,158.68
(iii) Disputed dues – MSME	-	35.02	242.20	-	277.23
(iv) Disputed dues - Others	-	-	0.15	2.08	2.23
	<b>8,136.42</b>	<b>148.97</b>	<b>323.34</b>	<b>227.78</b>	<b>8,836.50</b>

**Trade Payables aging schedule as at 31<sup>st</sup> March 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	265.65	6.12	-	0.06	271.83
(ii) Others	9,596.88	179.43	166.56	154.15	10,097.02
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	9.13	243.13	1.28	84.52	338.06
	<b>9,871.65</b>	<b>428.68</b>	<b>167.84</b>	<b>238.73</b>	<b>10,706.91</b>

**NOTE NO. '28' OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Other Liabilities</b>		
Liability for Capital Goods	60.99	980.07
Unclaimed Dividend	23.91	22.18
Investor Education and Protection Fund Payable*	4.30	4.30
Securities Deposits	347.90	200.06
Other Liabilities	4,495.16	3,367.09
<b>Total</b>	<b>4,932.27</b>	<b>4,573.70</b>

\*The company has deposited ₹ 4.30 Lakhs representing unpaid dividend for the Financial Year 2011-12 to the Investor Education and Protection Fund ("IEPF") vide Challan No.U56885791 dated 4<sup>th</sup> December, 2019. The company also filed a Statement in Form IEPF on 22 October 2019. The said amount was erroneously returned by IEPF authority with out any reason and credited to our Bank account. The company have lodged a complaint to IEPF authority in this regard and awaiting clearance from their side.

Except the amount stated as above, there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund at the year end.

**NOTE NO. '29' OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Contract Liabilities	537.25	1,378.33
Statutory Liabilities	1,129.95	1,122.16
<b>Total</b>	<b>1,667.20</b>	<b>2,500.49</b>

**NOTE NO. '30' CURRENT LIABILITIES: PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provisions for Employee benefits</b>		
-For Gratuity	93.30	76.10
-For Leave Encashment	119.85	101.63
<b>Total</b>	<b>213.15</b>	<b>177.73</b>

**NOTE NO. '31' CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Income Tax (Net)	140.96	567.87
<b>Total</b>	<b>140.96</b>	<b>567.87</b>

**NOTE NO. '32' REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
(a) Sale of products	1,47,085.57	1,14,074.47
(b) Sale of services	728.49	3,147.19
<b>Sale of Products &amp; Services</b>	<b>1,47,814.06</b>	<b>1,17,221.65</b>
(c) Other Operating Revenue		
Export Incentives	2,063.79	1,755.47
<b>Total</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>

**NOTE NO. '33' OTHER INCOME**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Interest Income</b>		
Interest Income from Bank Fixed Deposits	121.50	58.33
Interest Income from Others	96.15	128.56
(Includes from Banswara Brands Pvt Ltd. ₹ 1.87 Lakhs: Previous Year ₹ Nil)		
<b>Other Non Operating Income</b>		
Net Gain on sales of property, plant and Equipments	233.00	269.31
Foreign Currency transaction and translation (net)	603.28	873.38
Dividend Income from Investment at FVTPL	0.19	-
Excess Provisions written back (net)	182.59	255.97
Government Grants	84.47	82.34
Miscellaneous Income	135.38	298.49
Gain on Fair Value Measurement of Investment through FVTPL	2.81	0.47
<b>Total</b>	<b>1,459.37</b>	<b>1,966.85</b>

**NOTE NO. '34' COST OF MATERIALS CONSUMED**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Raw Material Consumed</b>		
Opening stock	9,581.98	6,107.01
Add : Purchases	62,794.27	55,042.88
	72,376.25	61,149.89
Less : Closing stock	9,606.72	9,581.98
	62,769.53	51,567.91
<b>Dyes &amp; Chemicals Consumed</b>	4,013.49	4,795.92
<b>Total</b>	<b>66,783.02</b>	<b>56,363.83</b>

**NOTE NO. '35' CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>A. Finished Goods</b>		
<b>Opening Stock</b>		
Yarn	4,964.86	3,434.12
Cloth	3,220.42	3,923.62
Garment	1,407.15	1,508.72
	<b>9,592.43</b>	<b>8,866.46</b>
<b>Closing Stock</b>		
Yarn	7,524.89	4,964.86
Cloth	5,118.45	3,220.42
Garment	1,415.45	1,407.15
	<b>14,058.79</b>	<b>9,592.43</b>
<b>B. Work-in Progress</b>		
<b>Opening Stock</b>		
Yarn	2,307.94	1,267.95
Cloth	2,991.59	1,602.94
Garment	947.61	450.55
	<b>6,247.14</b>	<b>3,321.44</b>
<b>Closing Stock</b>		
Yarn	2,052.17	2,307.95
Cloth	2,859.35	2,991.59
Garment	841.00	947.61
	<b>5,752.52</b>	<b>6,247.15</b>
<b>C. Waste</b>		
<b>Opening Stock</b>	<b>161.23</b>	<b>143.22</b>
<b>Closing Stock</b>	<b>92.45</b>	<b>161.23</b>
<b>Total</b>	<b>(3,902.96)</b>	<b>(3,669.69)</b>

**NOTE NO. '36' EMPLOYEE BENEFITS EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Salaries, Wages and Bonus	25,953.27	19,954.40
Contribution to Provident and Other Funds	2,095.38	1,676.74
Workmen & Staff Welfare Expenses	577.50	290.15
<b>Total</b>	<b>28,626.15</b>	<b>21,921.28</b>

**Disclosure as per Ind AS 19' Employee Benefit'****A) Defined contribution plan**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Employer's contribution to Regional provident fund	1,619.99	1,290.32
Employer's contribution to Employee State Insurance Corporation	321.30	264.86
<b>Total</b>	<b>1,941.29</b>	<b>1,555.18</b>

The Company has recognised an expenses of ₹ 1,941.29 Lakhs (Previous Year ₹ 1,555.18 Lakhs) towards the defined contribution plan.

In accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employees and the employer make monthly contributions to the plan at a predetermined rate of an employee's basic salary. These contributions are made to the regional fund administered and managed by the Employees Provident Fund Organisation (EPFO). The Company has no further obligations under the fund managed by the EPFO beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

**B) Defined benefits plan**

The Company has following post employment benefits which are in the nature of defined benefit plans:

**Gratuity**

The Company provides for gratuity payable to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan administered by a Trust and the Company makes contributions to Life Insurance Corporation of India (LIC).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Change in defined benefit obligations:</b>		
Defined benefit obligation at the beginning of the year	1,960.67	1,641.77
Current service cost	561.80	400.05
Interest cost	124.73	97.95
Past service cost	-	-
Benefits paid	(279.64)	(398.46)
Actuarial (gains)/losses	(233.21)	219.36
<b>Defined benefit obligation, end of the year</b>	<b>2,134.35</b>	<b>1,960.67</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Fair value of plan assets at the beginning of the year	1,739.06	1,626.93
Return on plan assets, (excluding amount included in net Interest expense)	6.33	5.03
Interest income	119.88	110.36
Employer's contributions	301.77	395.20
Benefits paid	(279.64)	(398.46)
<b>Fair value of plan assets, end of the year</b>	<b>1,887.39</b>	<b>1,739.06</b>

**Amount recognized in the balance sheet consists of:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value of defined benefit obligation	2,134.35	1,960.67
Fair value of plan assets	1,887.39	1,739.06
<b>Net liability</b>	<b>246.95</b>	<b>221.62</b>
<b>Amounts in the balance sheet:</b>		
Current Liability	93.30	76.10
Non-current liabilities	153.65	145.51
<b>Net liability</b>	<b>246.95</b>	<b>221.61</b>



**Total amount recognized in Profit or Loss consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Current service cost	561.80	400.05
Past Service Cost	-	-
Net Interest	4.84	(12.41)
<b>Total Expense recognised in statement of profit or loss</b>	<b>566.64</b>	<b>387.64</b>

**Net Interest Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Expenses	124.73	97.95
Interest Income	119.88	110.36
<b>Net Interest</b>	<b>4.84</b>	<b>(12.41)</b>

**Amount recognized in other comprehensive income consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actuarial (Gain)/Loss on Obligation	(233.21)	219.36
Return on Plan Assets excluding net Interest	(6.33)	(5.03)
<b>Total Actuarial (Gain)/Loss recognised in (OCI)</b>	<b>(239.53)</b>	<b>214.33</b>

**Actuarial (Gain)/Loss on obligation Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	146.25	220.49
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(379.46)	(1.13)
<b>Total Actuarial (Gain)/Loss</b>	<b>(233.21)</b>	<b>219.36</b>

**Return on Plan Assets excluding net Interest Consists**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actual Return on plan assets	126.21	115.39
Interest Income included in Net Interest	119.88	110.36
<b>Return on Plan Assets excluding net Interest</b>	<b>6.33</b>	<b>5.03</b>

**Information for funded plans with a defined benefit obligation less than plan assets:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Defined benefit obligation	2,134.35	1,960.67
Fair value of plan assets	1,887.39	1,739.06
<b>Net Liability</b>	<b>246.95</b>	<b>221.62</b>

**The assumptions used in accounting for the Gratuity are set out below:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate	7.29%	6.85%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of increase in compensation level of covered employees	5.00%	5.00%
Expected Return on Plan Assets	7.29%	6.85%
Expected average remaining services	20.93	21.08
Retirement age	60 Years	60 Years
Employee Attrition rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

**Sensitivity Analysis:**

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate. (₹ In Lakhs)

Assumptions	Change in assumption	Change in PV of obligation Gratuity	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate	Increase by 1%	1,885.74	1,727.52
	Decrease by 1%	2,438.15	2,246.55
Salary escalation rate	Increase by 1%	2,436.05	2,242.71
	Decrease by 1%	1,884.05	1,727.37

**Expected Payout**

(₹ in Lakhs)

Particulars	First Year	Second Year	Third to fifth Year	More than 5 Year
PVO payout Gratuity as of 31 <sup>st</sup> March, 2023	93.30	81.11	306.15	761.61
PVO payout Gratuity as of 31 <sup>st</sup> March, 2022	76.10	81.61	287.40	641.82

**Plan Assets**

Plan assets comprise the following

(₹ in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deposit with</b>		
Gratuity Trust	5.26	4.17
Group Insurance Scheme Insurance Company (LIC)	1,882.14	1,734.89
<b>Total</b>	<b>1,887.40</b>	<b>1,739.06</b>

**Risk Exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

**a) Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The Company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Company intends to maintain the above investment mix in the continuing years.

**b) Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

**c) Inflation risks**

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**d) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

**C) Other Long Term Employee Benefit**
**Leave Policy**

Other long term employee benefit includes earned leave to the employees of the Company which accrue annually for 24 days. Earned leave can be accumulated up to 90 days while in service. These accumulated earned leave are encashable at the time of retirement or leaving the services of the Company. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 64.93 Lakhs (Previous Year: ₹ 183.34 Lakhs) have been made on the basis of actuarial valuation and debited to the Statement of Profit and Loss.

Amount of ₹ 120.75 Lakhs (Previous Year; ₹ 250.91 Lakhs) is recognised as expenses and included in Note No 36 "Employee benefit expenses"

**NOTE NO. '37' FINANCE COST**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Expenses		
On Term Loans	1,093.00	1,259.50
On Working Capital	1,490.52	714.31
Finance Lease Charges	19.42	13.61
Other Borrowing Cost	571.03	491.86
<b>Total</b>	<b>3,173.97</b>	<b>2,479.27</b>

**NOTE NO. '38' DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Right of Use Assets Depreciation (Refer Note 3)	73.04	70.58
Depreciation (Refer Note 2 and 5)	4,004.05	4,115.41
<b>Total</b>	<b>4,077.09</b>	<b>4,185.99</b>

## NOTE NO. '39' OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Consumption of Stores, Spares & Consumbale	4,483.84	3,726.72
Packing Material Consumed	2,709.73	2,041.92
Power	4,779.41	3,951.07
Fuels	14,440.10	12,006.69
Processing and Job Charges	2,335.85	1,781.18
Repairs and Maintenance		
Plant & Machinery	514.97	374.38
Building	389.00	310.91
Others	87.83	68.76
Rent	29.26	5.81
Rates and Taxes	219.16	132.19
Insurance	471.25	413.07
Payment to Statutory Auditor		
Auditor's Remunration (Refer Note No 39.1)	31.64	25.43
Directors' Fees (Refer Note No.47)	41.37	39.40
Travelling & Conveyance Expenses	451.31	155.30
Communication Expenses	318.27	256.54
Legal, Professional & Consultancy expenses	444.44	431.85
Charity & Donation	15.51	6.38
Corporate Social Responsibility Expenses (CSR) (Refer Note No. 46)	129.52	66.33
Business Promotion Expenses	147.55	69.79
IT Outsourced Support Services	124.45	114.25
Water & Electricity Charges	139.35	125.13
Selling Expenses	2,036.19	1,556.47
Freight, Octroi and Forwarding Charges	3,307.49	4,173.33
Advertisements Expenses	9.67	10.77
Bad Debts/Advances Written Off	61.01	194.99
Less:- Adjusted against Provision for Doubtful Debts	(61.01)	(180.06)
Provision for Doubtful Advances/Receivables	24.23	-
Miscellaneous Expenses	879.30	603.14
<b>Total</b>	<b>38,560.68</b>	<b>32,461.73</b>

## NOTE NO. '39.1' AUDITORS REMUNRATION

(₹ in Lakhs)

Auditor's Remuneration (excluding GST)	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Payment to Statutory Auditors</b>		
Audit Fee	26.00	22.50
Fee for Other Services	0.40	0.30
Reimbursement of Expenses	2.74	0.23
<b>Payment to Cost Auditors</b>		
Audit Fee	2.50	2.40
<b>Total</b>	<b>31.64</b>	<b>25.43</b>

**NOTE NO. '40' EARNINGS PER SHARE**

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
a) Profit for the year	₹ In Lakhs	11,141.26	4,673.78
b) Weighted average number of equity shares outstanding	Nos.	3,42,32,084	3,42,32,084
c) Face value per share	₹	5.00	5.00
d) Earnings Per Share:#			
- Basic	₹	32.55	13.65
- Diluted	₹	32.55	13.65

**Weighted average number of equity shares outstanding (used as denominator) (Nos.)**

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening balance of issued equity shares	1,71,16,042	1,71,16,042
Increase in the Number of Share on account of Shares Split	1,71,16,042	1,71,16,042
Weighted average number of equity shares for computing Basic Diluted EPS	3,42,32,084	3,42,32,084

#The Company has sub divided its 171.16 lakhs equity shares of face value of ₹ 10 each fully paid-up into 342.32 Lakhs equity shares of face value of ₹ 5 each fully paid up w.e.f. 08 September 2022 as recommended by the Board of Directors and approved by the share holders of the Company in the Annual General Meeting held on 30 July 2022. Earning per share has been calculated/restated, as applicable, for all the periods presented after considering the new number of equity shares post such split in line with provision of applicable IND AS and to make the figures of EPS comparable with previous period.

**Disclosures**
**Note no 41. Disclosure as per Ind AS 12 'Income Tax'**
**a) Income Tax Expense**
**i) Income Tax recognised in the statement of profit and loss**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Current Tax Expenses</b>		
Current Income Tax	3,656.71	2,854.12
Tax Adjustment of Earlier Years	(1.39)	(0.21)
<b>Total current Tax expenses</b>	<b>3,655.32</b>	<b>2,853.91</b>
<b>Deferred tax</b>		
Deferred Tax Expenses	(777.31)	(326.14)
<b>Total deferred tax expenses</b>	<b>(777.31)</b>	<b>(326.14)</b>
<b>Total Income tax expenses</b>	<b>2,878.01</b>	<b>2,527.77</b>

**ii) Income tax recognised in other comprehensive income (OCI)**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Current Tax Expenses</b>		
Net actuarial (loss)/gain on defined benefit plan	60.29	(74.89)
Total current Tax expenses	60.29	(74.89)

## iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Profit before tax</b>	14,258.80	6,987.23
Tax using the company tax rate @ 25.168% (Previous Year @ 34.944%)	3,588.66	2,441.62
Tax effect of :		
Non deductible tax expenses (CSR)	32.60	23.18
Non deductible tax expenses (Donation)	3.90	2.23
Non deductible tax expenses (MSME Interest and Interest on Income Tax)	1.33	0.88
Tax Adjustment of Earlier Years	1.39	0.21
Others	(689.57)	(15.23)
<b>Total tax expenses in the statement of profit and loss</b>	<b>2,938.30</b>	<b>2,452.88</b>

## Movement in deferred tax balances

31<sup>st</sup> March, 2023

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2022	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	3,857.85	(1,153.28)	-	-	2,704.57
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	474.51	(148.11)	-	-	326.40
ii) Disallowances under section 43B of Income Tax Act, 1961	468.72	(157.68)	-	-	311.04
iii) Employee Benefits	200.95	(44.64)	(60.29)	-	156.31
iv) Deferred Tax on Account of Deferred Government Grant	69.64	(25.52)	-	-	44.12
(vi) Lease Equilization Assets	0.58	(0.03)	-	-	0.55
(vii) MAT Credit Entitlement	32.14	-	-	32.14	-
<b>Net tax assets/(liabilities)</b>	<b>2,611.31</b>	<b>(777.30)</b>	<b>60.29</b>	<b>32.14</b>	<b>1,866.15</b>

31<sup>st</sup> March, 2022

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2021	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,153.54	(295.69)	-	-	3,857.85
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	537.43	(62.92)	-	-	474.51
ii) Disallowances under section 43B of Income Tax Act, 1961	480.33	(11.66)	-	-	468.72
iii) Employee Benefits	86.39	39.67	74.89	-	200.95
iv) Deferred Tax on Account of Deferred Government Grant	79.37	(9.73)	-	-	69.64
(v) Lease Equilization Assets	0.37	0.21	-	-	0.58
(vi) MAT Credit Entitlement	267.32	-	-	(235.18)	32.14
<b>Net tax assets/(liabilities)</b>	<b>2,702.33</b>	<b>(251.26)</b>	<b>(74.89)</b>	<b>235.18</b>	<b>2,611.31</b>

**Note no. 42. Disclosure as per Ind AS 2 'Inventories'**

Amount of inventories recognised as expense during the year is as under:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Cost of Material Consumed	66,783.02	56,363.83
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	(3,902.96)	(3,669.69)
Power and Fuel (Coal)	14,440.10	12,006.69
Packing Material Consumed	2,709.73	2,041.92
Stores & Spare Parts Consumed	4,483.84	3,726.72
<b>Total</b>	<b>84,513.72</b>	<b>70,469.48</b>

**Note No. 43. Disclosure as per Ind AS-116 "Leases"**

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As Lessee**
**(A) Addition to right of use assets**

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property. (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Property, plant and equipment owned	-	-
Right-of-use assets, except for investment property	36.02	256.85
<b>Total</b>	<b>36.02</b>	<b>256.85</b>

**(B) Carrying value of right of use ("ROU") assets at the end of the reporting period by class**

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery
Balance at 1 <sup>st</sup> April, 2022	352.00	372.58	56.49
Add : Right of Use Building Recognized during the year	-	36.02	-
Less : Disposal of ROU during the year	-	129.45	24.62
Gross Block Value of Right of Use	352.00	279.15	31.87
Opening Accumulated Depreciation	34.79	144.71	30.20
Add : Depreciation charge for the year	6.66	63.19	3.19
Less : Depreciation on Disposal of ROU	-	122.83	24.62
Closing Accumulated Depreciation	41.45	85.07	8.77
Balance at 31 <sup>st</sup> March, 2023	310.55	194.08	23.10

**(c) Maturity analysis of lease liabilities**

(₹ in Lakhs)

Maturity analysis-contractual undiscounted cash flows	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Less than One year	81.55	75.14
One to five years	171.29	227.10
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>252.83</b>	<b>302.24</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>221.36</b>	<b>254.21</b>

**(D) Amounts recognised in the Statement of profit and loss**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Interest on lease liabilities	19.42	13.61
Amortization recognized	73.04	70.58
Expenses related to short term leases	29.26	5.81



**(E) Amounts recognised in the statement of cash flows**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Total cash outflow for leases	61.39	70.69

**As Lessor****(A) Operating Lease**

The Company has entered into operating leases on its office buildings. These leases have terms of 10 to 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the year is ₹ 14.38 Lakhs (Previous Year: ₹ 10.35 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as follows: (₹ In Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Within one year	14.41	14.07
After one year but not more than five years	58.32	58.15
More than five years	67.05	81.63

The Company has also recognized lease equalization assets amounting to ₹ 2.20 Lakhs (Previous Year: ₹ 1.65 Lakhs) on account of escalation clause in the lease arrangement.

**Note No. 44. Disclosure as per Ind AS-27, Separate Financial Statement**

Interest in Joint Venture

Name of Entity	Place of Business/ Country Of Incorporation	Proportion Of Ownership Interest	
		As at 31.03.2023	As at 31.03.2022
Tesca Textiles & Seat Components (India) Private Ltd.	India	40.64%	40.45%

Nature of the business of Joint Venture Entity is Textile.

The Company's share of assets, liabilities, income and expenses of Joint Venture is as follows:

(₹ in Lakhs)

Name of the Joint Venture	Financial Year	Assets	Liabilities	Income	Expenses	Profit
Tesca Textiles & Seat Components (India) Private Limited	2022-23	1,903.17	1,276.10	4,077.54	3,862.09	192.83
	2021-22	1,701.92	1,350.59	3,078.69	3,176.04	(114.17)

**Note No. 45.****Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'**

The amount of exchange differences (net) credited to the Statement of Profit &amp; Loss is ₹ 603.28 Lakhs (Previous Year: ₹ 873.38 Lakhs).

**Note No. 46. Disclosure of Corporate social responsibility (CSR)**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

A. Gross amount required to be spent by the Company during the Current Year ₹ 96.00 Lakhs (Previous Year ₹ 65.00 Lakhs)

B. Amount spent during the year on:

(₹ in Lakhs)

Particulars	Financial Year 2022-23			Financial Year 2021-22		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i) Construction Ongoing Project	-	-	-	15.19	22.83	38.02
(ii) Purposes other than (i) & above	129.52	-	129.52	26.98	-	26.98
<b>Total</b>	<b>129.52</b>	<b>-</b>	<b>129.52</b>	<b>42.17</b>	<b>22.83</b>	<b>65.00</b>

The Company has utilized Balance of Unspent CSR Escrow account FY 2020-21 and FY 2021-22 for Ongoing Project during the year.

(₹ In Lakhs)

Particulars	Year end 31 <sup>st</sup> March 2023	Year end 31 <sup>st</sup> March 2022
(i) amount required to be spent by the company during the year	96.00	65.00
(ii) amount of expenditure incurred, (Includes ₹ 30.67 Lakhs incurred unspent of earlier years Previous Year ₹ 24.16 Lakhs)	129.52	66.33
(iii) shortfall at the end of the year,	-	22.83
(iv) total of previous years shortfall	-	7.84

(v) reason for shortfall : Since the project is long term hence unspent amount if any will be utilized with in the period a specified in the Companies Act, 2013.

(vi) nature of CSR activities:- The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects.

(₹ In Lakhs)

Nature of CSR activities	Year Ended 31 <sup>st</sup> March 2023	Year Ended 31 <sup>st</sup> March 2022
Eradicating hunger, poverty and malnutrition preventive healthcare and safe drinking water	18.47	0.15
Promotion of education	27.41	7.38
Environment sustainability and ecological balance	64.14	34.64
National heritage, art and culture	2.00	-
Training to promote rural sports	17.51	-
<b>Total</b>	<b>129.52</b>	<b>42.17</b>

(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard : None

(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately. : None

#### Note no. 47. Disclosure as per Ind AS 24 'Related Party Disclosures'

The Company has identified all the related parties as per details given below:

##### 1. List of Related Parties:

###### a) Wholly owned Subsidiary:

Banswara Brands Private Limited

###### b) Joint Venture:

Tesca Textiles & Seat Components (India) Private Limited

###### c) Key Management Personnel:

Shri Rakesh Mehra (Chairman)

Shri Ravindra Kumar Toshniwal (Managing Director)

Shri Shaleen Toshniwal (Joint Managing Director)

Shri J.K. Jain (Joint President & Chief Financial Officer) (Upto 01 December 2021)

Smt. Kavita Gandhi (CFO) (w.e.f. 15 May 2023)

Shri H.P. Kharwal (Company Secretary)

Shri Pankaj Gharat (Chief Financial Officer) (from 03 May 2022 to 28 February 2023)

**d) Independent/Non Executive Director**

Shri P.Kumar  
 Shri D.P.Garg  
 Shri S.B. Agarwal  
 Shri Vijay Kumar Agarwal  
 Shri Kamal Kishore Kacholia  
 Shri Vijay Mehta  
 Dr. Vijayanti Pandit  
 Shri J.M. Mehta  
 Shri David Vlerick

**e) Enterprises where Relative of Key Management Personnel has Control**

Aanswr Fashion Private Limited

**f) Relative of Key Management Personnel/Independent or Non Executive Director where transactions have taken place :**

Smt. Prem Toshniwal  
 Smt. Radhika Toshniwal  
 Smt. Sonal Toshniwal  
 Smt. Kavita Soni  
 Smt. Suman Jain  
 Smt. Sonal Garg Pareek  
 Smt. Radha Devendra Pal Garg  
 Shri Saurabh Agarwal  
 Shri Saurabh Agarwal And Sons HUF  
 Shri S S Agarwal HUF  
 Smt. Sunita Agarwal

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

(₹ In Lakhs)

Nature of transaction	Influence	2022-23	2021-22
<b>Tesca Textiles &amp; Seat Components (India) Private Limited</b>	Joint Venture		
Sales of Goods and Materials*		2,679.86	2,063.08
Purchase of Goods and Materials*		8.03	29.77
Rendering of Services*		322.07	466.11
Business Support Services*		-	0.96
Claim on Fabrics given*		46.20	-
Investment made during the year		88.90	178.00
<b>Aanswr Fashion Private Limited</b>	Relative of Key Managerial Personnel has Control		
Sales of Goods and Materials*		811.14	251.45
Purchase of Goods and Materials*		48.83	21.44
Rendering of Services*		31.56	9.75
Reimbursement of Expenses		-	0.44
Business Support Services*		12.80	-
Claim on Garment given*	0.71	14.49	

<b>Nature of transaction</b>	<b>Influence</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Banswara Brands Private Limited</b>			
Sales of Goods and Materials*	Wholly Owned Subidiary	0.08	-
Rendering of Services*		0.27	-
Business Support Services		0.30	-
Interest Charged on Loan Given		1.87	-
Investment made during the year		26.00	-
Loan Given		71.00	-
<b>Remuneration</b>			
Shri Rakesh Mehra	Key Management Personnel	387.60	294.14
Shri Ravindra Kumar Toshniwal		294.72	208.28
Shri Shaleen Toshniwal		290.59	200.60
Shri J.K. Jain		-	100.79
Shri Pankaj Gharat		18.14	-
Shri H P Kharwal		12.96	11.25
Shri Dhruv Toshniwal	Relative of Key Management	-	38.34
Shri Udit Toshniwal		-	31.49
Smt Kavita Soni	Personnel	55.84	50.37
<b>Purchase of Property, Plant &amp; Equipments</b>			
Shri Prem Toshniwal	Relative of Key Managerial Personnel has Control	35.00	-
<b>Interest Expenses</b>			
Shri Ravindra Kumar Toshniwal	Key Management Personnel	0.90	0.90
Shri Shaleen Toshniwal		6.61	8.68
Smt Prem Toshniwal	Relative of Key Management Personnel	36.44	30.62
Smt Radhika Toshniwal		0.90	0.90
Smt Sonal Toshniwal		0.18	0.18
Smt Kavita Soni		15.82	10.97
Shri J.K. Jain HUF		-	0.05
Smt Anita Jain		-	0.08
Shri Garvit Jain		-	0.03
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	0.45	0.29
Shri Saurabh Agarwal & Sons HUF		2.11	1.98
Shri S.S. Agarwal HUF		1.36	1.41
Smt. Sonal Garg Pareek		-	0.90
Smt. Radha Devendra Pal Garg		-	0.45
Shri Saurabh Agarwal		0.54	0.54
Smt Suman Jain		-	0.29
Shri Vijay Mehta	Independent/Non Executive Director	9.50	9.50
Shri D.P. Garg		-	2.26

Nature of transaction	Influence	2022-23	2021-22
<b>Sitting Fees - Non Executive Directors</b>			
Shri S.B. Agarwal	Non Executive Director	6.60	6.00
Shri K.K. Kacholia		6.00	4.20
Shri P. Kumar		6.60	6.40
Shri D.P. Garg		4.20	3.80
Shri Vijay Mehta		4.80	4.20
Shri J.M. Mehta		6.00	5.00
Shri V.K. Agarwal		1.80	2.20
Dr. Vaijayanti Pandit		4.80	4.80
Shri David Vlerick		0.55	2.80
<b>Fixed Deposit Accepted</b>			
Smt Prem Toshniwal	Relative of Key Management Personnel	74.00	87.00
Smt Kavita Soni		175.00	-
Shri Saurabh Agarwal And Sons HUF	Relative of Non Executive Director	-	2.00
Shri S.B. Agarwal & Sons HUF		2.00	-
<b>Fixed Deposit Repayment</b>			
Shri Shaleen Toshniwal	Key Management Personnel	45.00	-
Shri D.P. Garg	Independent/Non Executive Director	-	50.00
Smt Prem Toshniwal	Relative of Key Management Personnel	49.00	-
Smt Kavita Soni		-	200.00
Mr. Garvit Jain		-	5.00
Smt. Anita Jain		-	14.00
Shri J.K. Jain HUF		-	10.00
Smt. Radha Devendra Pal Garg	Relative of Non Executive Director	-	10.00
Smt Suman Jain		3.00	-
Smt. Sonal Garg Pareek		-	20.00
<b>Fixed Deposits Payable</b>			
Shri Ravindra Kumar Toshniwal	Key Management Personnel	10.40	10.40
Shri Shaleen Toshniwal		52.08	98.89
Smt Prem Toshniwal	Relative of Key Management Personnel	431.28	403.63
Smt Radhika Toshniwal		10.40	10.40
Smt Sonal Toshniwal		2.08	2.08
Smt Kavita Soni		284.26	104.26
Shri S.B. Agarwal & Sons HUF	Relative of Non Executive Director	5.20	3.13
Shri Saurabh Agarwal & Sons HUF		23.93	23.89
Shri S.S. Agarwal HUF		15.61	15.63
Shri Saurabh Agarwal		6.24	6.24
Smt Suman Jain		-	3.13
Shri Vijay Mehta	Independent/Non Executive Director	104.26	104.26
<b>Investment in</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	554.90	466.00
Banswara Brands Private Limited	Wholly Owned Subsidiary	26.00	-

Nature of transaction	Influence	2022-23	2021-22
<b>Amount Payable</b>			
Shri Ravindra Kumar Toshniwal	Key Management Personnel	-	44.80
Shri Rakesh Mehra		-	42.70
Shri Shaleen Toshniwal		-	44.80
Shri H P Kharwal		-	0.74
Shri H P Kharwal (Received against Vehicle Scheme)		0.09	0.47
<b>Amount Receivable (net)</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	817.62	455.64
Banswara Brands Private Limited	Wholly Owned Subsidiary	0.35	-
Aanswr Fashion Private Limited	Enterprises where Relative of Key Management Personnel has Control	347.42	135.05
Shri H P Kharwal (Medical Loan)		1.28	-
<b>Amount Receivable Towards Loan given and Interest thereon</b>			
Banswara Brands Private Limited	Wholly Owned Subsidiary	72.69	-
<b>Security Deposit Payable</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	0.88	0.88

\*Above mentioned amount includes Goods and Services Tax (GST)

In respect of the outstanding balance recoverable from related parties as at 31<sup>st</sup> March 2023, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such parties.

#### Compensation to key managerial personnel of the Company

(₹ In Lakhs)

Nature of benefits#	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Short term employee benefits	959.35	764.92
Post-employment benefits	44.65	50.15
<b>Total</b>	<b>1,004.00</b>	<b>815.07</b>

# This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

#### Note no. 48. Disclosure as per Ind AS 37 'Provisions, contingent liabilities and contingent assets'

##### 1. Contingent liabilities :-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Bills discounted/Purchased with banks remaining outstanding		
a) With Banks		
(i) Against foreign Letter of Credit (LC)	485.61	2,120.88
(ii) Against Inland Letter of Credit (LC)	-	49.54
b) With Others	152.86	581.74
Claims against the company not acknowledged as debt: -		
(a) Under Tax Laws [payment made ₹ 574.54 Lakhs (Previous Year ₹ 574.54 Lakhs)]	2,493.51	2,491.26
(b) On account of electrical inspection fee {paid ₹ 11 Lakhs (Previous Year ₹ 11 Lakhs)}	23.78	23.78

There is no reimbursement possible on account of contingent liabilities.

## 2. Capital Commitments:

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: (₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Estimated amount of contracts remaining to be executed on Capital account (net of advance)	5,117.64	4,164.76
Future Export obligation against EPCG licenses	9,493.00	1,728.00

### Note No. 49. Disclosure as per Ind AS 16 'Property, Plant and Equipment'

The carrying amounts of assets Hypothecated and Mortgage as security for current and non-current borrowings are:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	21,213.14	12,644.47
Term Deposits held as margin money	1,705.60	633.97
<b>Non-Financial Assets</b>		
Inventories	31,394.19	27,888.90
<b>Total Current assets Hypothecated as security</b>	<b>54,312.93</b>	<b>41,167.34</b>
<b>Non-Current Assets</b>		
Land	874.61	874.61
Building	12,585.87	11,282.81
Plant & Equipment	20,506.24	16,871.66
Furnitures	247.94	159.05
Others	2,065.89	1,453.47
Capital Work in Progress	2,184.94	2,891.60
Intangible Assets	153.73	229.07
<b>Total Non-Current assets Mortgage as security</b>	<b>38,619.21</b>	<b>33,762.27</b>
<b>Total Assets Hypothecated and Mortgage as security</b>	<b>92,932.14</b>	<b>74,929.61</b>

### Note No. 50. Disclosure as Per Ind AS 115 Revenue from Contracts with Customers

#### A. Applicability of Ind AS 115

The Company has followed the IND AS 115 during the year. All service contracts have an original duration of one year or less and therefore the company uses practical expedient to not disclose unsatisfied performance obligations

#### B. Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers: (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Type of goods or service</b>		
Sale of goods	1,49,149.36	1,15,829.93
Job Work Income	728.49	3,147.19
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>
Geographical markets		
India	77,439.83	65,088.89
Outside India	72,438.01	53,888.23
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>
Timing of revenue recognition		
Goods transferred at a point in time	1,49,149.36	1,15,829.93
Services transferred over time	728.49	3,147.19
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>



**Contract Balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Trade receivables	21,213.14	12,644.47
Contract Liabilities	537.25	1,378.33

**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Revenue as per contracted price	1,49,968.73	1,19,163.56
Adjustments	-	-
Rebate/Cash Discount	90.89	186.44
<b>Revenue from contracts with customers</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>

**Performance obligation**

Information about the Company's performance obligations are summarised below:

**a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the company expects to receive in exchange for those product. The performance obligation is satisfied upon delivery of goods and payment is generally due within 30 to 180 days from delivery. The contract generally provide customers with a right to early payment rebate which give rise to variable consideration subject to constraint.

**b) Income from Rendering of Services**

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

**Note No. 51. Disclosure as per Ind AS 108 'Operating segment'**

- (a) The Company is engaged in production of textile products having integrated working and captive power generation. For management purpose, Company is organized into major operating activity of the textile products. The Company has no activity outside India except export of textile products manufactured in India. Thereby, no geographical segment and no segment wise information is reported.
- (b) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Revenue from external customers	72,438.01	53,888.23
India	77,439.84	65,088.89
<b>Total</b>	<b>1,49,877.85</b>	<b>1,18,977.12</b>

## Detail of Country wise Revenue from Major Countries

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Turkey	10,273.58	8,829.45
Hong Kong	8,513.48	-
United State of America	5,302.45	3,974.96
South Korea	4,286.78	1,190.13
Belgium	3,685.86	184.44
Utd.Arab Emir.	3,426.98	1,971.45
United Kingdom	3,419.75	1,720.01
South Africa	3,289.92	2,890.63
Sri Lanka	2,755.88	2,630.73
Bangladesh	2,670.20	2,716.82
Vietnam	875.20	3,265.73
Maxico	1,471.89	2,235.34
Others	22,466.04	24,434.44
<b>Total</b>	<b>72,438.01</b>	<b>53,888.23</b>

## Note No. 52. Disclosure as per Ind AS 107 'Financial instrument disclosure'

## A) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Gross Debt	37,340.81	26,188.11
Less : Cash and cash equivalents	1,460.45	1,874.91
Net Debt (A)	35,880.35	24,313.20
Total Equity (B)	50,906.98	40,014.37
Gearing Ratio (A/B)	0.70	0.61

## B) Financial risk management

## Financial Risk Management

The Company's principal financial liabilities comprise Borrowings, trade payables, Lease Liabilities and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, deposits & other assets.

## Company is exposed to following risk from the use of its financial instrument:

- Credit Risk
- Liquidity Risk
- Market Risk
- Foreign Currency Risk
- Interest Rate Risk

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term (Payment Terms). Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk at the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 11. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date.

**Other Financial Instruments and Cash & Cash Equivalent**

The Company maintain its cash & cash equivalent in current account to meet the day to day requirements, in fixed deposits for bank margin & to meet regulatory requirements for repayment of deposits. Other financial instruments are loan given to employee, Investment and Deposit. The Company's maximum exposure to credit risk for the component of the Balance Sheet as of 31 March 2023 & 31 March 2022 is the carrying amount as disclosed in Note 11,12, 13, 14, 15 & 16.

**Provision for Expected Credit or Loss**
**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Ageing of trade receivables**

The Ageing of trade receivables is as below:

(₹ in Lakhs)

Ageing	0-180 days past due	181-365 days past due	1-2 years past due	2-5 years past due	Total
Gross Carrying amount as on 31.03.2023	21,709.19	262.30	4.44	534.10	22,510.04
Impairment loss recognised on above	496.06	262.30	4.44	534.10	1,296.90
Gross Carrying amount as on 31.03.2022	12,908.84	279.97	155.34	658.23	14,002.38
Impairment loss recognised on above	264.36	279.97	155.34	658.23	1,357.91

**(i) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	On Demand	0 -1 years	1-5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2023</b>					
Term Loans*	-	3,029.67	10,646.22	605.65	14,281.54
Fixed Deposit Payable	-	1,422.14	1,106.00	-	2,528.14
Lease Liability	-	66.27	155.09	-	221.36
Trade Payables	-	8,836.50	-	-	8,836.50
Other Financial Liabilities#	20,337.97	4,904.05	-	-	25,242.02
<b>Total</b>	<b>20,337.97</b>	<b>18,258.63</b>	<b>11,907.31</b>	<b>605.65</b>	<b>51,109.56</b>
<b>As at 31<sup>st</sup> March 2022</b>					
Term Loans*	-	3,551.07	8,053.20	760.77	12,365.04
Fixed Deposit Payable	-	403.64	1,816.00	-	2,219.64
Lease Liability	-	56.26	197.95	-	254.21
Trade Payables	-	10,706.91	-	-	10,706.91
Other Financial Liabilities	11,375.70	4,547.22	-	-	15,922.92
<b>Total</b>	<b>11,375.70</b>	<b>19,265.10</b>	<b>10,067.15</b>	<b>760.77</b>	<b>41,468.72</b>

\*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings.

Overdraft or other on demand loan facility, if any available with the Company to be disclosed, to the extent undrawn.

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Floating rate borrowings</b>		
Term Loan	1,062.98	806.90
Cash Credit and Export Credit Packing Facility	2,090.24	11,050.78
<b>Total</b>	<b>3,153.22</b>	<b>11,857.68</b>

**(ii) Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the Managing Board.

**(iii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to mitigate its risk from foreign currency fluctuations.

Derivative instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

(Foreign Currency in Lakhs)

Particulars	Currency	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Forward Contract to sell {Number of Contracts (Current Year 20 ; Previous Year 19)}	USD	128.70	130.70

(b) Particulars of unhedged foreign currency exposure as at the reporting date

The currency profile of financial assets and financial liabilities as at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 are as below:

**31<sup>st</sup> March, 2023**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	97.19	9.52	1.46	0.03	108.19
Cash & cash equivalents	-	-	-	-	-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	23.24	0.91	0.12	-	24.27

**31<sup>st</sup> March, 2022**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	67.83	2.10	2.05	-	71.99
Cash & cash equivalents	-	-	-	-	-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	32.56	0.72	0.09	-	33.37

### Foreign Currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and AUD rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	60.34	7.62	1.35	0.02
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(60.34)	(7.62)	(1.35)	(0.02)

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2022			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	26.39	1.15	1.94	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(26.39)	(1.15)	(1.94)	-

The Company's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.

As at 31<sup>st</sup> March 2023 the Company does not have material exposure to listed or unlisted equity price risk.

**(iv) Interest Rate Risk**

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest.

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

**At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:**

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Loans	170.31	123.24
Bank Deposit	541.62	84.96
	<b>711.93</b>	<b>208.20</b>
<b>Variable Rate Instruments</b>		
Security Deposit	344.63	347.19
<b>Total</b>	<b>1,056.56</b>	<b>555.39</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Security Deposit from Vendor	347.90	200.06
Deposits from Shareholders	2,528.14	2,219.64
	<b>2,876.04</b>	<b>2,419.70</b>
<b>Variable Rate Instruments</b>		
Term Loans	14,281.54	12,365.04
Loan repayable on demand	20,309.76	11,349.22
	<b>34,591.30</b>	<b>23,714.26</b>
<b>Total</b>	<b>37,467.34</b>	<b>26,133.96</b>

As at 31<sup>st</sup> March 2023, approximately 7.68% of the Company's Borrowings are at fixed rate of interest (Previous Year : 9.26%)

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Effect of Profit or Loss	
	50 BP increase	50 BP decrease
<b>31<sup>st</sup> March, 2023</b>		
Term Loans	71.41	(71.41)
Loan repayable on demand	101.55	(101.55)
	<b>172.96</b>	<b>(172.96)</b>
<b>31<sup>st</sup> March, 2022</b>		
Term Loans	61.83	(61.83)
Loan repayable on demand	56.75	(56.75)
	<b>118.58</b>	<b>(118.58)</b>

**Note No. 53. Disclosure as per Ind AS 113 'Fair Value Measurement'**
**Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:-

- (a) recognised and measured at fair value and;
- (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

Fair value are categorised into different level in a fair value hierarchy which are as follows:

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2 :** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

**Level 3 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.

**Valuation Techniques used to determine fair values:**
**A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- i) For financial instruments other than (ii) and (iii)- the use of quoted market prices.
- ii) For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- iii) For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**B) Financial Instruments By Category**

Set out below categorised table of financial instruments measured at FVTPL and Amortised Cost, no such instrument is measured at Fair value through Other Comprehensive Income (FVTOCI) :-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	At Cost	FVTPL	Amortized cost	At Cost	FVTPL	Amortized cost
<b>Financial Assets:</b>						
Investments in						
Equity instrument	26.00	6.72	-	-	3.91	-
Joint Venture	554.90	-	-	466.00	-	-
Others	-	-	-	-	-	-
Trade Receivables	-	-	21,213.14	-	-	12,644.47
Cash and Cash Equivalents	-	-	1,460.45	-	-	1,874.91
Bank balances other than cash and cash equivalent	-	-	2,671.03	-	-	1,141.21
Security deposit	-	-	344.63	-	-	347.19
Forward Contract Assets	-	8.28	-	-	43.86	-
Other Financial Assets	-	-	1,224.72	-	-	1,869.64
<b>Total Financial Assets</b>	<b>580.90</b>	<b>15.00</b>	<b>26,913.97</b>	<b>466.00</b>	<b>47.77</b>	<b>17,877.42</b>
<b>Financial Liability:</b>						
Borrowings	-	-	37,119.45	-	-	25,933.90
Lease Liabilities	-	-	221.36	-	-	254.21
Trade Payables	-	-	8,836.50	-	-	10,706.91
Other Financial Liabilities	-	-	4,932.27	-	-	4,573.70
Forward Contract Liability	-	-	-	-	-	-
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>51,109.57</b>	<b>-</b>	<b>-</b>	<b>41,468.72</b>



## C) Fair Value Hierarchy

(₹ in Lakhs)

Financial Instrument measured at Fair Value - recurring fair value measurement	Level	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Investments in Equity Instruments	Level 1	6.72	3.91
Others	Level 1	-	-
<b>Total</b>		<b>6.72</b>	<b>3.91</b>
Forward Contract Receivables	Level 3	8.28	43.86
<b>Total</b>		<b>8.28</b>	<b>43.86</b>

## D) Fair value disclosures of financial assets and liabilities

Set out below is a comparison, by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value:

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Fair value through Statement of Profit and Loss</b>				
Investments in Equity Instruments	6.72	6.72	3.91	3.91
Investments in Equity Instruments (Wholly Owned Subsidiary)	26.00	26.00	-	-
Investment in Joint Venture	554.90	554.90	466.00	466.00
Forward Contract Receivables	8.28	8.28	43.86	43.86
<b>Measured through amortized cost</b>				
Trade Receivables	21,213.14	21,213.14	12,644.47	12,644.47
Cash and Cash Equivalents	1,460.45	1,460.45	1,874.91	1,874.91
Bank balances other than cash and cash equivalent	2,671.03	2,671.03	1,141.21	1,141.21
Loan to Employees	170.31	170.31	123.24	123.24
Loan to Wholly Owned Subsidiary	72.69	72.69	-	-
Security deposit	344.63	344.63	347.19	347.19
Other Financial Assets	981.72	981.72	1,746.40	1,746.40
<b>Financial Liabilities</b>				
<b>Measured through amortized cost</b>				
Borrowings	37,119.45	37,119.45	25,933.90	25,933.90
Trade Payables	8,836.50	8,836.50	14,767.47	14,767.47
Other Financial Liabilities	5,153.62	5,153.62	767.34	767.34

**Note No. 54 Disclosure of Financial Ratios**

(₹ in Lakhs)

Particulars	Numerator (₹ In Lakhs)	Denominator (₹ In Lakhs)	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022	% of Variance
<b>Current Ratio</b>					
Current Asset/Current Liabilities	62,412.69	40,702.39	1.53	1.49	2.91
<b>Debt-Equity Ratio</b>					
Total Debt/Share Holder's Equity	37,119.45	50,906.98	0.73	0.65	12.18
<b>Debt Service Coverage Ratio (Refer Note No 1)</b>					
Earnings available for debt service/Debt Service	18,392.33	7,625.77	2.41	1.72	40.22
<b>Return on Equity Ratio (Refer Note No 1)</b>					
Net Profit After Tax/Average Share Holder's Equity	11,141.26	45,460.67	0.25	0.12	104.23
<b>Inventory turnover ratio</b>					
Sales/Average Inventory	1,49,877.85	29,641.55	5.06	5.01	0.93
<b>Trade Receivables turnover ratio</b>					
Net Credit Sales/Average Accounts Receivables	1,49,877.85	16,928.81	8.85	9.86	(10.21)
<b>Trade payables turnover ratio (Refer Note 2)</b>					
Net Credit Purchase/Average Trade Payables	62,794.27	9,771.71	6.43	4.42	45.39
<b>Net capital turnover ratio</b>					
Net Sales/Working Capital	1,49,877.85	21,710.31	6.90	7.13	(3.18)
<b>Net profit ratio (Refer Note 1)</b>					
Net Profit /Net Sales	11,141.26	1,49,877.85	0.07	0.04	89.23
<b>Return on Capital employed (Refer Note 1)</b>					
Earning Before Interest and Tax /Capital Employed	17,193.25	89,892.58	0.19	0.14	35.45
<b>Return on investment</b>	NA	NA	NA	NA	NA
Profit on sales on Investment/Investment					

**Note:-**

1. During the year, increase in turnover has improved contributed to higher operational margin, hence debt service coverage ratio, return on equity, net profit ratio and Return on Capital Employed improved accordingly.

2. There is reduction in Trade Payables in spite of Increase purchase which has resultant higher ratio as compared to previous year.

**Note No. 55.** Some of the balances shown under Trade Receivables, Advances and Trade Payables are subject to confirmation. The Company has been sending letter for confirmation to parties and does not expect any material dispute w.r.t. the recoverability/payment of the same.

**Note No. 56.**
**Additional Regulatory Information in Schedule III:**

- All the Title deeds of Immovable properties (other than properties where the Company is the lessee and the lease agreement are duly executed in favour of the lessee) are in the name of the Company.
- The Company does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- During the year the Company has given Loan to wholly owned Subsidiary namely "Banswara Brands Pvt Ltd" carrying rate of Interest @ 8% per annum which is repayable within one year.
- Benami property : There are no proceedings being initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company had Borrowed secured Loan from Banks against current assets
  - Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts.
  - As returns/ statements of current assets are in agreement with the books of account, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed does not arise.
- Wilful Defaulter : the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- The Company does not have transactions or relationship with Struck off Companies

- (l) Registration of charges or satisfaction with Registrar of Companies:- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (j) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (k) Detailed Ratio analysis given in note number 54.
- (l) There are no Scheme of Arrangements as on March 31<sup>st</sup>, 2023.
- (m) Utilisation of borrowings availed from banks :-The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilised for long term purposes except as mentioned in Auditor's Report for the year ended 31<sup>st</sup> March 2023
- (n) Additional information to be disclosed by way of Notes to Statement of Profit and Loss
- The Company does not have any undisclosed income as on March 31<sup>st</sup>, 2023.
  - The Company does not have any details of Crypto Currency or Virtual Currency as on March 31<sup>st</sup>, 2023.
- (o) Utilisation of borrowed funds and share premium
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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.

#### Note No. 57. Events occurring after the Balance Sheet Date :- Proposed Dividend

The Board of Directors of the Company have proposed equity dividend of ₹ 3/- per equity share in respect of the year ended 31<sup>st</sup> March 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of ₹ 1,026.96 lakhs.

#### Note No. 58. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

##### A. Loans and advances in the nature of loans

To Joint Venture : Nil

To Wholly Owned Subsidiary : ₹ 71 Lakhs (Previous Year ₹ Nil)

##### B. Investment by the loanee : Nil

**Note No. 59.** Certain Prior year amounts have been reclassified for consistency with the current period presentation. These reclassification have no effect on the reported results of operations.

#### Significant Accounting Policies 1

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

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

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

#### For K G SOMANI & CO LLP

Chartered Accountants  
FRN - 06591N/N500377

Sd/-

#### Vinod Kumar Somani

Partner  
M.No. 085277

Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

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

**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director

Sd/-  
**Kavita Gandhi**  
Chief Financial Officer  
Place : Mumbai  
Dated : 15<sup>th</sup> May 2023

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

**P. Kumar**  
DIN : 00179074  
Chairman (Audit Committee)

Sd/-  
**H. P. Kharwal**  
Company Secretary  
ACS28614



# Consolidated Financial Statements

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF BANSWARA SYNTEX LIMITED****Report on the Audit of the Consolidated Ind AS Financial Statements****Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of **BANSWARA SYNTEX LIMITED** (the "Company") and its Joint venture and Subsidiary Company (the company and its Subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at **March 31<sup>st</sup>, 2023**, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended, and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian

**Key Audit Matters**

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

Key Audit Matter	How our audit addressed the matter
<p><b>Existence, Valuation of inventory and significant judgments, estimates relating to provision for obsolescence of slow and non-moving inventory</b></p> <p>Inventories aggregate to ₹ 31,394.19 Lakhs (the Company) As at March 31<sup>st</sup>, 2023,</p> <p>Inventory comprises of raw material including packing material, work in progress, finished goods and stores and spares.</p> <p>We have identified the inventories as key audit matter because it is material to the financial statements.</p> <p>Refer note 1(C)(6) and Note 10 to the standalone Ind AS financial statements.</p>	<ul style="list-style-type: none"> <li>• We read and understood the Company's accounting policy for inventory valuation. Obtained understanding of the management's process of inventory valuation and inventory physical verification performed at year end;</li> <li>• Observed the physical stock count process on a sample basis for selected locations by attending the physical stock-taking exercise conducted by management; further, we physically verified items on test check basis.</li> <li>• We have also been provided the physical verification report covering major inventory which is certified by the Internal Audit Department. For the inventory lying with the third party, management has provided the confirmation obtained from the third parties</li> <li>• We obtained understanding of the inventory valuation process, and the assumptions used by the management in the process of calculation of inventory provision. We have tested management review controls and operating effectiveness of controls related to purchase, sales and Inventory verification.</li> <li>• The Company has a policy for write-down of inventories to net realisable value on account of obsolescence and slow -moving inventory which is recognised on a case-to-case basis based on the management's assessment. Write-down of inventories to net realisable value is subjective owing to the nature of inventories and is dependent on significant judgments around probability of decrease in the realisable value.</li> </ul>

Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at March 31, 2023, the Consolidated profit, Consolidated total comprehensive income, Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

Key Audit Matter	How our audit addressed the matter
	<ul style="list-style-type: none"> <li>• We tested the basis of computation of net realisable value including arithmetical accuracy, validity of the data used and provision for slow or non-moving inventory and obsolescence at the reporting date is appropriate, by assessing the methodology and assumptions adopted by management supported by analysis of historical data</li> <li>• We performed cut off testing for purchase and sales transactions made near the reporting date to assess whether transactions are recorded in the correct period by testing appropriate records,</li> <li>• Ensure that the closing Inventory valuation is in line with the Stock and Debtors statement furnished to the lenders for security purpose is reconciled with books of account on quarterly basis.</li> </ul>

**Information Other than the Consolidated Ind AS Financial Statements and Auditor’s Report Thereon**

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

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

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

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

**Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements**

The Company’s Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated change in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind

AS) specified under section 133 of the Act read with companies (Indian Accounting Standard) Rules, 2015, as amended from time to time.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the are responsible for overseeing the financial reporting process of the Group.

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

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

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

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

disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS financial statements.

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statement that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

### Other Matters

1. The consolidated audited financial results include the Group's share of net profit of ₹ 185.99 Lakhs for the year ended March 31<sup>st</sup>, 2023, respectively as considered in the consolidated audited financial results, in respect of one Joint venture whose financial statements / financial information/ financial results have not been audited by us. These financial statements / financial information / financial results have been audited by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of one Joint venture is based solely on the reports of the other auditors and the



procedures performed by us as stated in para “Auditor’s Responsibilities” above.

2. We did not audit the financial statements of below subsidiary company, whose financial statements reflect total assets, total revenues, Company’s share of net profit and net cash flows for the year ended on 31<sup>st</sup> March 2023 as given below, considered in the consolidated financial statements.

(₹ In Lakhs)

Sr. No.	Name of Subsidiary	As At 31 <sup>st</sup> March, 2023	For the Year Ended 31 <sup>st</sup> March, 2023		
		Total Assets	Total Revenues	Net Cash Flows	Share of Net Profit
1	Banswara Brands Private Limited	72.39	0.32	(4.28)	(53.01)

These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of aforesaid subsidiary company, and our report in terms of sub section (3) and (11) of section 143 of the act, in so far as it relates to the aforesaid subsidiary company, is based solely on the report of the other auditor.

Our opinion on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under.

- On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditors of its joint companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- With respect to the adequacy of internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate report in Annexure A which is based on the auditors’ reports of the Company and its joint venture and its Subsidiary Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those Companies.

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

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

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

- The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group, and its Joint venture and subsidiary refer Note No. 47 to the Consolidated Ind AS financial statements.
- Provision has been made in the Consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- There has been a delay in transferring amount of ₹ 0.05 lakh required to be transferred, to the Investor Education and Protection Fund by the company pertaining to financial year 2014-15. Also, unpaid dividend for financial year 2011-12 amounting to ₹ 4.30 lakhs were deposited by the company in Investor education protection fund However the Investor education protection fund authority erroneously returned the same amount. (Read with Note 28 to the Standalone Ind AS financial statement)

- (iv) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, that Group had recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. (i) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (ii) As stated in Note no. 56 to the Consolidated Financial Statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. 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.
- vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its Joint Venture and subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

#### For K G Somani & Co LLP

Chartered Accountants

Firm Registration No: 06591N/N500377

Sd/-

(Vinod Kumar Somani)

Partner

Membership No: 085277

UDIN: 23085277BGZGTK2865

Place: New Delhi

Date: 15<sup>th</sup> May, 2023

#### **"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of BANSWARA SYNTEX LIMITED**

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

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we did not audit the internal financial controls over financial reporting of Joint Venture Company i.e. Tesca Textiles & Seat Components (India) Private Limited and subsidiary i.e. Banswara Brands Private Limited Incorporated in India as of that date.

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

The respective Board of Directors of the Company's and its Joint Venture and subsidiary company which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the respective Companies which are incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the

orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

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

A 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 purposes 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 financial statements.

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

Because of the inherent limitations of internal financial controls with reference to Consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to 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 or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company and its Joint Venture and subsidiary which are companies incorporated in India, in all material respects, an adequate internal financial controls system with reference to Consolidated financial statements, and such internal financial controls with reference to Consolidated financial statements were operating effectively as at 31<sup>st</sup> March 2023, based on the criteria for internal financial controls with reference to Consolidated financial statements established by the respective companies 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.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act include the information of the Company and its Joint venture companies and subsidiary in respect of the adequacy and operating effectiveness of the internal financial controls over financial reporting. On the basis of report of other auditor in respect of Joint Venture Company and Subsidiary Company audited by them.

Our opinion is not modified in respect of the above matter.

### **For K G Somani & Co LLP**

#### **Chartered Accountants**

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

Sd/-

**(Vinod Kumar Somani)**

**Partner**

**Membership No: 085277**

**UDIN: 23085277BGZGTK2865**

Place: New Delhi

Date: 15<sup>th</sup> May, 2023

**CONSOLIDATED BALANCE SHEET  
AS AT 31<sup>ST</sup> MARCH 2023**

(₹ In Lakhs)

PARTICULARS	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	36,285.33	30,641.60
Right of Use Asset	3	527.73	571.37
Capital Work-in-Progress	4	2,184.94	2,891.60
Other Intangible Assets	5	164.08	229.07
Intangible Assets Under Development	5	6.25	-
Financial Assets			
(i) Investment in Joint Venture	6	607.76	332.87
(ii) Others	7	766.22	665.12
Income Tax Assets (Net)	8	1,748.75	1,515.16
Other Non-Current Assets	9	2,186.96	856.80
		<b>44,478.02</b>	<b>37,703.59</b>
<b>Current Assets</b>			
Inventories	10	31,411.55	27,888.90
Financial Assets			
(i) Investments	11	6.72	3.91
(ii) Trade Receivables	12	21,212.79	12,644.47
(iii) Cash and Cash Equivalents	13	1,460.72	1,874.91
(iv) Bank balances other than (iii) above	14	2,270.55	867.14
(v) Loans	15	170.31	123.24
(vi) Others	16	981.72	1,746.40
Other current assets	17	4,865.17	5,373.36
		<b>62,379.53</b>	<b>50,522.33</b>
<b>Total Assets</b>		<b>1,06,857.55</b>	<b>88,225.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	18	1,711.60	1,711.60
Other Equity	19	49,195.24	38,169.64
		<b>50,906.84</b>	<b>39,881.24</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	20	12,357.88	10,629.97
(ii) Lease Liabilities	21	155.09	197.95
Provisions	22	407.92	397.32
Deferred Tax Liabilities (Net)	23	1,848.76	2,611.31
Government Grant	24	452.30	538.90
		<b>15,221.95</b>	<b>14,375.45</b>
<b>Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	25	24,761.57	15,303.93
(ii) Lease Liabilities	26	66.27	56.26
(iii) Trade Payables	27		
Total outstanding dues of micro enterprises and small enterprises;		682.14	271.83
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,176.32	10,435.08
(iv) Other Financial Liabilities	28	4,932.27	4,573.70
Other Current Liabilities	29	1,671.61	2,500.49
Government Grant	24	84.47	82.34
Provisions	30	213.15	177.73
Income Tax Liabilities (Net)	31	140.96	567.87
		<b>40,728.76</b>	<b>33,969.23</b>
<b>Total Equity and Liabilities</b>		<b>1,06,857.55</b>	<b>88,225.92</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

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

In terms of our Audit Report of even date:

For and on behalf of the Board of Directors

**For K G SOMANI & CO LLP**Chartered Accountants  
FRN - 06591N/N500377Sd/-  
**Vinod Kumar Somani**  
Partner  
M.No. 085277Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

Sd/-

**Rakesh Mehra**

DIN : 00467321

Chairman

Sd/-

**Shaleen Toshniwal**

DIN : 00246432

Jt. Managing Director

Sd/-

**Kavita Gandhi**

Chief Financial Officer

Place : Mumbai

Dated : 15<sup>th</sup> May 2023

Sd/-

**Ravindra Kumar Toshniwal**

DIN : 00106789

Managing Director

Sd/-

**P. Kumar**

DIN : 00179074

Chairman (Audit Committee)

Sd/-

**H. P. Kharwal**

Company Secretary

ACS28614

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2023**

(₹ In Lakhs Except EPS)

PARTICULARS	Note No.	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Income:</b>			
Sale of Products & Services	32	1,47,813.98	1,17,221.65
Other Operating Revenue	32	2,063.79	1,755.47
<b>Revenue From Operations</b>		<b>1,49,877.77</b>	<b>1,18,977.12</b>
Other Income	33	1,457.54	1,966.85
<b>Total Income (I)</b>		<b>1,51,335.31</b>	<b>1,20,943.97</b>
<b>Expenses :</b>			
Cost of Materials Consumed	34	66,783.02	56,363.83
Purchase of Traded Goods		-	-
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	35	(3,902.96)	(3,669.69)
Employee Benefits Expenses	36	28,638.16	21,921.28
Finance Costs	37	3,173.97	2,479.27
Depreciation And Amortization Expenses	38	4,078.05	4,185.99
Other Expenses	39	38,616.19	32,461.73
<b>Total Expenses(II)</b>		<b>1,37,386.43</b>	<b>1,13,742.42</b>
<b>Profit before exceptional items and tax (III) = (I-II)</b>		<b>13,948.88</b>	<b>7,201.55</b>
Exceptional Item (IV)		-	-
<b>Profit before share of Net Profit of Investment accounted using Equity Method and tax (V) = (III+IV)</b>		<b>13,948.88</b>	<b>7,201.55</b>
Share of Profit/(Loss) of Joint Venture (VI)		185.99	(111.74)
<b>Profit before tax (VII) = (V+VI)</b>		<b>14,134.87</b>	<b>7,089.81</b>
Tax Expense :			
(1) Current tax			
Current Year		3,656.71	2,854.12
Tax Adjustment of Earlier Years		(1.39)	(0.21)
(2) Deferred Tax		(794.70)	(326.14)
<b>Total Tax Expenses (VIII)</b>		<b>2,860.62</b>	<b>2,527.77</b>
<b>Profit After Tax (IX) = (VII)-(VIII)</b>		<b>11,274.25</b>	<b>4,562.04</b>
<b>Other Comprehensive Income</b>			
<b>A. Item that will not be reclassified to profit or loss</b>			
(i) Remeasurment of defined benefit plan		239.53	(214.32)
(ii) Tax relating to Remeasurment of defined benefit plan		(60.29)	74.89
(iii) Share of other comprehensive income of Joint Venture accounted Equity Method		-	0.38
<b>B. Item that will be reclassified to profit or loss</b>			
<b>Total Other Comprehensive Income (X)</b>		<b>179.24</b>	<b>(139.05)</b>
<b>Total Comprehensive Income for the Period (XI) = (IX+X)</b>		<b>11,453.49</b>	<b>4,422.99</b>
<b>Earnings per equity share (in ₹)</b>	40		
(1) Basic (Face Value of ₹ 5 each)		32.93	13.33
(2) Diluted (Face Value of ₹ 5 each)		32.93	13.33
<b>Significant Accounting Policies</b>	<b>1</b>		

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

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

**For K G SOMANI & CO LLP**

Chartered Accountants  
FRN - 06591N/N500377

Sd/-

**Rakesh Mehra**  
DIN : 00467321  
Chairman

Sd/-

**Ravindra Kumar Toshniwal**  
DIN : 00106789  
Managing Director

Sd/-

**Vinod Kumar Somani**  
Partner  
M.No. 085277

Sd/-

**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director

Sd/-

**P. Kumar**  
DIN : 00179074  
Chairman (Audit Committee)

Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**Kavita Gandhi**  
Chief Financial Officer  
Place : Mumbai  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**H. P. Kharwal**  
Company Secretary  
ACS28614

**CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

(₹ In Lakhs)

PARTICULARS	Year ended		Year ended	
	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
<b>A) Cash Flow From Operating Activities :-</b>				
Net Profit Before Tax as per Statement of Profit and Loss		14,134.87		7,089.81
<b>Adjusted for :</b>				
Depreciation and Amortization Expenses	4,078.05		4,185.99	
Unrealised Exchange Loss/(Gain)	123.40		61.79	
Share of (Profit)/Loss of Joint Venture	(185.99)		111.74	
Impairment Allowance for Doubtful Advances/Receivables	24.23		-	
Deferred Government Grant transferred to Statement of Profit and Loss	(84.47)		(82.34)	
Net Gain on sales of property, plant and Equipments	(233.00)		(269.31)	
Dividend Received	(0.19)		-	
Interest Income	(216.10)		(186.88)	
Finance Cost	3,173.97		2,479.27	
Fair value (gain)/loss transferred to Statement of Profit and Loss	(2.81)	6,677.09	(0.47)	6,299.79
Operating profit before working capital changes		20,811.96		13,389.60
<b>Adjusted for :</b>				
(Increase)/Decrease in trade & other receivables	(7,500.15)		(2,776.27)	
(Increase)/Decrease in inventories	(3,522.65)		(8,243.95)	
(Increase)/Decrease in Bank balance and Term Deposits other than Cash and Cash Equivalents"	(1,403.41)		(197.65)	
Increase/(Decrease) in trade and others payables	(2,033.20)	(14,459.41)	5,503.34	(5,714.53)
Cash generated from operations		6,352.55		7,675.07
Direct Tax paid (net of tax refund)		4,343.97		2,255.35
<b>Net cash from operating activities (A)</b>		<b>2,008.58</b>		<b>5,419.72</b>
<b>B) Cash Flow From Investing Activities :-</b>				
Acquisition of Property, Plant and Equipment		(10,328.73)		(5,804.06)
Proceeds from sale of Property, Plant and Equipment		360.80		939.00
Investment in Joint Venture		(88.90)		(178.00)
Government Grant Received		-		32.04
Dividend Received		0.19		-
Term Deposit with Banks		(103.66)		21.58
Interest Income		216.10		186.88
<b>Net cash used in investing activities (B)</b>		<b>(9,944.20)</b>		<b>(4,802.56)</b>
<b>C) Cash Flow From Financing Activities :-</b>				
Proceeds from Term Loan borrowings		6,189.58		1,555.72
Repayment of Term Loan borrowings		(4,280.51)		(5,262.29)
Interest paid		(3,133.62)		(2,595.04)
Increase /(Decrease) in bank borrowings		8,960.54		7,955.96
Proceeds from unsecured loans		441.00		379.00
Repayment of unsecured loans		(146.00)		(1,205.00)
Repayment of Principal towards Lease Liability		(61.39)		(70.69)
Interest Paid on Lease Liability		(20.27)		(13.61)
Dividend Paid		(427.90)		(256.74)
<b>Net cash from financing activities (C)</b>		<b>7,521.43</b>		<b>487.31</b>
<b>Net Increase/ (Decrease) in cash and cash equivalents (A+B+C)</b>		<b>(414.19)</b>		<b>1,104.47</b>
Opening balance of cash and cash equivalents		1,874.91		770.44
<b>Closing balance of cash and cash equivalents</b>		<b>1,460.72</b>		<b>1,874.91</b>



**Cash and Cash Equivalent includes:-**

(₹ In Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Cash on hand	44.79	46.19
Balance in current account	1,415.93	1,828.72
<b>Total</b>	<b>1,460.72</b>	<b>1,874.91</b>

**Note:**

1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act 2013.

2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.

**Changes in liabilities arising from financing activities:-**

(₹ In Lakhs)

PARTICULARS	As at 31.03.2022	Cash Flow	Non-cash Changes	As at 31.03.2023
Non-Current Borrowing	14,476.59	2,204.07	-	16,680.66
Current Borrowing	11,349.22	8,960.54	-	20,309.76
<b>Total</b>	<b>25,825.81</b>	<b>11,164.61</b>	-	<b>36,990.42</b>

**Changes in liabilities arising from financing activities:-**

(₹ In Lakhs)

PARTICULARS	As at 31.03.2021	Cash Flow	Non-cash Changes	As at 31.03.2022
Non-Current Borrowing	19,009.16	(4,532.57)	-	14,476.59
Current Borrowing	3,393.26	7,955.96	-	11,349.22
<b>Total</b>	<b>22,402.42</b>	<b>3,423.39</b>	-	<b>25,825.81</b>

3. Figures in bracket indicate cash outflow.

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

**For K G SOMANI & CO LLP**

Chartered Accountants  
FRN - 06591N/N500377

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

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

Sd/-  
**Vinod Kumar Somani**  
Partner  
M.No. 085277

Sd/-  
**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director

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

Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**Kavita Gandhi**  
Chief Financial Officer  
Place : Mumbai  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**H. P. Kharwal**  
Company Secretary  
ACS28614



Consolidated Statement of changes in Equity for the year ended 31<sup>st</sup> March 2023

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No of Shares	Amount	No of Shares	Amount
Balance at the beginning of the year	1,71,16,042	1,711.60	1,71,16,042	1,711.60
Change During the Year (refer note no. 18.5)	1,71,16,042	-	-	-
Balance at the end of the year	3,42,32,084	1,711.60	1,71,16,042	1,711.60

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share of Equity Component directly credited to Equity	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2022</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>15,875.29</b>	<b>38,169.64</b>
Profit for the year	-	-	-	-	-	11,274.25	11,274.25
Other comprehensive income	-	-	-	-	-	179.25	179.25
Total comprehensive income	-	-	-	-	-	11,453.49	11,453.49
Transfer from Surplus	-	-	-	-	-	-	-
Dividends on Equity Shares for the year	-	-	-	-	-	(427.90)	(427.90)
<b>As at 31<sup>st</sup> March 2023</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>26,900.88</b>	<b>49,195.24</b>

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium	Capital Redemption Reserve	Share of Equity Component directly credited to Equity	General Reserve	Retained Earnings	
<b>As at 1<sup>st</sup> April 2021</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>11,709.04</b>	<b>34,003.39</b>
Profit for the year	-	-	-	-	-	4,562.04	4,562.04
Other comprehensive income	-	-	-	-	-	(139.05)	(139.05)
Total comprehensive income	-	-	-	-	-	4,422.99	4,422.99
Transfer from Surplus	-	-	-	-	-	-	-
Dividends on Equity Shares for the year	-	-	-	-	-	(256.74)	(256.74)
<b>As at 31 March 2022</b>	<b>20.43</b>	<b>2,959.00</b>	<b>173.00</b>	<b>4.82</b>	<b>19,137.10</b>	<b>15,875.29</b>	<b>38,169.64</b>
<b>Significant Accounting Policies</b>	<b>1</b>						

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

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

For K G SOMANI &amp; CO LLP

Chartered Accountants  
FRN - 06591N/N500377

Sd/-

**Vinod Kumar Somani**  
Partner  
M.No. 085277Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

Sd/-

**Rakesh Mehra**  
DIN : 00467321  
Chairman

Sd/-

**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director

Sd/-

**Kavita Gandhi**  
Chief Financial Officer  
Place : Mumbai  
Dated : 15<sup>th</sup> May 2023

Sd/-

**Ravindra Kumar Toshniwal**  
DIN : 00106789  
Managing Director

Sd/-

**P. Kumar**  
DIN : 00179074  
Chairman (Audit Committee)

Sd/-

**H. P. Kharwal**  
Company Secretary  
ACS28614

**Consolidated Financial Statement for the year ended 31<sup>st</sup> March 2023**
**1. Overview & Significant Accounting Policies**
**A. Corporate Information**

Banswara Syntax Limited (“the Group”) is a Group domiciled in India and limited by shares(CIN: L24302RJ1976PLC001684). The shares of the Group are publicly traded on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited. The address of the Group’s registered office is Industrial Area, Dahod Road, Banswara, Rajasthan.

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

These Consolidated financial statements were authorized for issue by Board of Directors on 15<sup>th</sup> May 2023.

**B. Basis of Preparation of Financial Statement**
**1. Compliance with Ind AS**

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

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

(i) The Financial Statements are prepared on accrual basis under the historical cost convention except certain financial assets and liabilities (including derivatives instruments) that are measured at fair value. The methods used to measure fair values are discussed in notes no. 52 to financial statements.

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

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

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

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

On March 31<sup>st</sup>, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

**Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

**Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of ‘accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2023. The Group has evaluated the amendment and there is no impact on its standalone financial statements.

**Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1<sup>st</sup>, 2023. The Group has evaluated the amendment and there is no impact on its standalone financial statement.

**4. Functional and presentation currency**

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

## 5. Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

## C. Significant accounting policies

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

### 1. Basis and Principle of Consolidation

The financial statements of Joint venture and Subsidiary are drawn up to the same reporting date as of the Group for the purpose of consolidation.

#### 1.1. Joint arrangements

Under Ind AS 111 'Joint Arrangements', investment in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The group has only joint venture.

##### Joint Venture

Interests in joint venture are accounted for using the equity method (see C.1.2 below), after initially being recognized at cost in the consolidated balance sheet.

#### 1.2. Equity Method

Under the equity method of accounting, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

Upon loss of internal control over joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

### 1.3 The list of subsidiaries included in the Consolidated Financial Statements are as

S. No.	Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest and voting power
1.	Banswara Brands Private Limited	India	100%

The subsidiary Company was incorporated on 23<sup>rd</sup> August, 2022 and became the wholly owned subsidiary of the parent Company from the date of incorporation.

- 1.4 The consolidated financial statements incorporate the financial statements of the Parent Company and its wholly owned subsidiary. For this purpose, an entity which is, directly or indirectly, controlled by the Parent Company is treated as a subsidiary. The Parent Company together with its subsidiary constitutes the Group. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns
- 1.5 The Consolidation of a subsidiary begins when the Parent Company, directly or indirectly, obtains control over the subsidiary and ceases when the Parent Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated Statement of Profit and Loss from the date the Parent Company, directly or indirectly, gains control until the date when the Parent Company, directly or indirectly, ceases to control the subsidiary
- 1.6 The consolidated financial statements (IND AS 110 “Consolidated Financial Statements”) of the Group combines financial statements of the Parent Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiary have been harmonised to ensure the consistency with the policies adopted by the Parent Company. The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company’s standalone financial statements. Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company.
- 1.7 The gains/losses in respect of part divestment/ dilution of stake in subsidiary companies not resulting in ceding of control are recognized directly in other equity attributable to the owners of the Parent Company.

## 2. Property, plant & equipment

### 2.1. Initial recognition and measurement

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

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

Free hold land is carried at cost.

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

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

### 2.2. Subsequent costs

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

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

### 2.3. Derecognition

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

### 2.4. Depreciation

Depreciation is recognized in statement of profit and loss on Straight Line Method (SLM) over the estimated useful life of property, plant and equipment as mentioned in Schedule II of the Companies Act, 2013, except in case of Plant & Machinery where the useful life has been taken as ascertained by the Independent Chartered Engineer or technical experts of the Group. The useful life of the Plant & Machinery so ascertained is ranging from 5 to 30 years on triple shift basis in certain plants as against the life of 15 years given in Part C of Schedule II of the Companies Act, 2013. Further, considering materiality of assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition. The Group provide pro-rata depreciation from/to the date on which asset is acquired or put to use/ disposed off as appropriate.

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

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

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

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

## 3. Capital work-in-progress

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

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

## 4. Intangible assets and intangible assets under development

### 4.1. Initial recognition and measurement:

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

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

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

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

### 4.2. Subsequent costs

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

### 4.3. Derecognition

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

#### 4.4. Amortization

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

#### 5. Borrowing Cost

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

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

#### 6. Investment in Equity instrument of Joint Venture

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

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

#### 7. Inventories

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

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

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

#### 8. Cash and Cash Equivalent

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

#### 9. Government Grants

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

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

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

#### 10. Provisions, Contingent liabilities and Contingent Assets

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at

reporting date, taking into account the risks and uncertainties surrounding the obligation.

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

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

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

## 11. Foreign currency transactions and translation

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

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

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

## 12. Revenue

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

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

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

### a) Income from Sale of Goods

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, rebates, scheme allowances, price concessions and incentives, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Payments from customers for the goods and services rendered are normally received within the credit terms as per the contracts with the customers.

The Group recognizes sales return only when the goods are actually returned by the customer. Therefore, a refund liability which is included in current financial liabilities or is reduced from current financial assets, is recognized for the goods actually returned.

Revenue from sale of goods is recognized at the point of time when the significant risks and rewards are transferred to the customer and the Group ceases to have its control over the goods.

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



**b) Income from Rendering of Services**

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

**Other Export Benefit**

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

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

**Interest Income**

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

**Dividend**

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

**Other Income**

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

**Variable consideration**

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

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

**Contract assets**

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

**Trade receivables**

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

**Contract liabilities**

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

**13. Employee Benefits****13.1 Short Term Employee Benefit**

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

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

### 13.2 Post-Employment benefits

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

#### 13.2.1. Defined contribution plans

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

#### 13.2.2. Defined benefit plans

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

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

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

### 13.3 Other long-term employee benefits

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

## 14. Taxes

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

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

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

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

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

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

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

## 15. Leases

### As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in the statement of financial position. (Refer note 3 & 20 respectively)

### Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**As a lessor**

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

**Arrangements in the nature of lease**

The Group enters into agreements, comprising a transaction or series of related transactions that does not take the legal form of a lease but conveys the right to use the asset in return for a payment or series of payments. In case of such arrangements, the Group applies the requirements of Ind AS 116 – Leases to the lease element of the arrangement. For the purpose of applying the requirements under Ind AS 116 – Leases, payments and other consideration required by the arrangement are separated at the inception of the arrangement into those for lease and those for other elements.

**16. Impairment of Non-financial Assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in statement of profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of goodwill of that CGU, if any and then the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**17. Dividends**

Final dividends and interim dividends payable to a Group's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

**18. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

**19. Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**20. Statement of Cash Flows**

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS-7 'Statement of cash flows'.

**21. Financial Instruments**

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

## 21.1. Financial assets

### Initial recognition and measurement

Except for trade receivables all financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through statement of profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the assets.

Trade receivables that do not contain a significant financing component are initially recognized/measured at the transaction price.

### Subsequent measurement

#### Debt instruments at amortized cost

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate method ("EIR"). Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

#### Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On Derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### Equity investments

All equity investments in entities are measured (except equity investment in joint venture and subsidiary) at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instruments, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However the Group may transfer cumulative gain or loss within the equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments in joint ventures are measured at cost.

Equity Investment in subsidiary are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of Investment in subsidiaries, the difference between net disposal proceeds and the carrying amount are recognized in the Statement of profit and loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized (i.e. removed from the Group's balance sheet) when:

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

### **Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 if they do not contain a significant financing component.
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 115 that contain a significant financing component, if the Group applies practical expedient to ignore separation of time value of money, and

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

### **Financial liabilities**

#### **Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

#### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is

calculated by taking into account any discount or premium on acquisition and any material transaction that are any integral part of the EIR. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

#### **Derivative financial instruments**

The Group uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

### **D. Major Estimates made in preparing Financial Statements**

#### **1. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Group reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate.

Intangible assets is being amortized on straight line basis over the period of six years.

#### **2. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

#### **3. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter. In the similar line, management also on the basis of best judgment and estimate determines the net realizable value of the Inventories to make necessary provision.

#### **4. Asset Held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.



**NOTE NO. '2' NON CURRENT ASSETS: PROPERTY, PLANT AND EQUIPMENT**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	Ast at 31.03.2023	As at 31.03.2023
Free Hold Land	874.61	-	-	874.61	-	-	-	-	874.61
Building (Refer Note Below)	14,034.49	1,792.19	-	15,826.68	2,751.68	489.12	-	3,240.81	12,585.87
Plant & Equipment	38,601.22	6,735.04	311.61	45,024.66	21,729.55	3,001.49	212.63	24,518.41	20,506.24
Electric & Water Supply Installation	1,262.30	235.49	-	1,497.79	833.83	95.92	-	929.76	568.03
Furniture & Fixtures	546.38	142.54	3.35	685.57	387.34	51.78	1.71	437.41	248.16
Office Equipments	601.40	147.17	0.11	748.46	467.42	57.78	-	525.19	223.27
Vehicles	639.12	338.95	106.02	872.04	161.16	93.61	78.95	175.81	696.23
Capital Spares	922.23	296.91	-	1,219.14	509.17	127.04	-	636.21	582.93
<b>TOTAL</b>	<b>57,481.75</b>	<b>9,688.29</b>	<b>421.09</b>	<b>66,748.95</b>	<b>26,840.15</b>	<b>3,916.74</b>	<b>293.29</b>	<b>30,463.60</b>	<b>36,285.33</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Ast at 31.03.2022	As at 31.03.2022
Free Hold Land	934.11	-	59.50	874.61	-	-	-	-	874.61
Building	14,313.69	-	279.21	14,034.48	2,373.88	476.46	98.67	2,751.67	11,282.81
Plant & Equipment	39,830.71	1,548.86	2,778.35	38,601.22	20,924.48	3,209.68	2,404.61	21,729.55	16,871.66
Electric & Water Supply Installation	1,261.52	0.79	-	1,262.30	723.03	110.81	-	833.84	428.46
Furniture & Fixtures	538.55	16.59	8.76	546.38	353.62	41.85	8.14	387.33	159.05
Office Equipments	563.72	43.70	6.02	601.40	426.92	46.22	5.72	467.42	133.98
Vehicles	469.03	316.33	146.24	639.12	226.69	54.86	120.39	161.16	477.96
Capital Spares	620.34	301.90	-	922.24	419.38	89.79	-	509.17	413.06
<b>TOTAL</b>	<b>58,531.67</b>	<b>2,228.17</b>	<b>3,278.08</b>	<b>57,481.75</b>	<b>25,448.00</b>	<b>4,029.67</b>	<b>2,637.53</b>	<b>26,840.15</b>	<b>30,641.60</b>

Note :- The Parent has also been allotted 876 Equity shares of M/s Rastogi Estate & Construction Co. (Pvt.) Ltd. to establish permanent ownership in respect of Building situated at Mumbai.

Property, Plant and Equipments were pledged as security against the Secured Borrowings (Refer Note No 48)

**NOTE NO. '3' NON CURRENT ASSETS: RIGHT OF USE ASSET (ROU)**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	Ast at 31.03.2023	As at 31.03.2023
(Refer Note no 43)									
Land	352.00	-	-	352.00	34.79	6.66	-	41.45	310.56
Buildings	372.58	36.02	129.45	279.14	144.71	63.19	122.83	85.07	194.07
Plant & Machinery	56.49	-	24.62	31.87	30.20	3.19	24.62	8.76	23.10
<b>TOTAL</b>	<b>781.07</b>	<b>36.02</b>	<b>154.07</b>	<b>663.01</b>	<b>209.70</b>	<b>73.04</b>	<b>147.45</b>	<b>135.28</b>	<b>527.73</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	Ast at 31.03.2022	As at 31.03.2022
(Refer Note no 43)									
Land	352.00	-	-	352.00	28.14	6.66	-	34.79	317.21
Buildings	129.41	256.85	13.68	372.58	98.67	56.63	10.59	144.71	227.87
Plant & Machinery	56.49	-	-	56.49	22.91	7.29	-	30.20	26.29
<b>TOTAL</b>	<b>537.90</b>	<b>256.85</b>	<b>13.68</b>	<b>781.07</b>	<b>149.72</b>	<b>70.58</b>	<b>10.59</b>	<b>209.70</b>	<b>571.37</b>

**NOTE NO. '4' NON CURRENT ASSETS: CAPITAL WORK-IN-PROGRESS**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2022	Additions	Capitalized	As at 31.03.2023
<b>Capital Work In Progress for</b>				
- Buildings	1,126.82	2,222.80	1,792.19	1,557.43
- Plant & Equipments	1,605.82	5,705.66	6,735.04	576.44
- Water & Electric Installation	96.55	164.65	235.49	25.71
-Furniture and Fixtures	-	142.54	142.54	-
-Office Equipements	2.44	144.73	147.17	-
- Vehicles	-	338.95	338.95	-
-Computer & Printers	-	-	-	-
-Capital Spares	59.98	262.29	296.91	25.36
<b>TOTAL</b>	<b>2,891.61</b>	<b>8,981.62</b>	<b>9,688.29</b>	<b>2,184.94</b>

During the year the Company has capitalized interest as per IND AS- 23 "Borrowing Cost"

(₹ In Lakhs)

DESCRIPTION OF ASSETS	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
- Buildings	35.11	23.47
- Plant & Equipments	67.50	-
<b>Total</b>	<b>102.61</b>	<b>23.47</b>

 Capital Work In Progress aging schedule as at 31<sup>st</sup> March 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,184.94	-	-	-	2,184.94
	<b>2,184.94</b>	-	-	-	<b>2,184.94</b>

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2021	Additions	Capitalized	As at 31.03.2022
<b>Capital Work In Progress for</b>				
- Buildings	7.84	1,118.98	-	1,126.82
- Plant & Equipments	15.97	3,138.71	1,548.86	1,605.82
- Water & Electric Installations	-	97.33	0.79	96.54
-Furniture and Fixtures	-	16.59	16.59	-
-Office Equipements	-	43.70	43.70	-
- Vehicles	-	316.33	316.33	-
-Computer & Printers	-	2.44	-	2.44
-Capital Spares	3.61	358.27	301.90	59.98
<b>TOTAL</b>	<b>27.42</b>	<b>5,092.35</b>	<b>2,228.17</b>	<b>2,891.60</b>

 Capital Work In Progress aging schedule As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	2,891.60	-	-	-	2,891.60
	<b>2,891.60</b>	-	-	-	<b>2,891.60</b>

**NOTE NO. '5' NON CURRENT ASSETS: OTHER INTANGIBLE ASSETS**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2022	Additions	Disposals/ Adjustment	As at 31.03.2023	As at 1.04.2022	For the Year	Deductions/ Adjustments	As at 31.03.2023	As at 31.03.2023
Computer Software	546.87	23.29	-	570.16	317.80	88.27	-	406.08	164.08
	<b>546.87</b>	<b>23.29</b>	-	<b>570.16</b>	<b>317.80</b>	<b>88.27</b>	-	<b>406.08</b>	<b>164.08</b>

As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK
	As at 01.04.2021	Additions	Disposals/ Adjustment	As at 31.03.2022	As at 1.04.2021	For the Year	Deductions/ Adjustments	As at 31.03.2022	As at 31.03.2022
Computer Software	525.91	20.96	-	546.87	232.06	85.74	-	317.80	229.07
	<b>525.91</b>	<b>20.96</b>	-	<b>546.87</b>	<b>232.06</b>	<b>85.74</b>	-	<b>317.80</b>	<b>229.07</b>

**Intangible assets under development**As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	As at 01.04.2022	Additions	Capitalized	Written Off/ Discard	As at 31.03.2023
Software	-	6.25	-	-	6.25
<b>TOTAL</b>	-	<b>6.25</b>	-	-	<b>6.25</b>

**NOTE NO. '6' NON CURRENT FINANCIALS ASSETS: INVESTMENT IN JOINT VENTURES**

(₹ in Lakhs)

Particulars	No. of shares/ C.Y./ (P.Y.)	Face value per share/ C.Y./ (P.Y.)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unquoted Investment in Equity Instrument fully paid up (valued at cost) In Joint Venture</b>				
Tesca Textiles & Seat Components (India) Private Limited	3413802 (3236000)	10 (10)	607.76	332.87
<b>Aggregate value of Unquoted Investment</b>			<b>607.76</b>	<b>332.87</b>
<b>C.Y. = Current Year ; P.Y. = Previous Year</b>			<b>607.76</b>	<b>332.87</b>

**NOTE NO. '7' OTHER NON CURRENT FINANCIAL ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considered Good</b>		
Security Deposits	344.63	347.19
Term deposits held as margin money* (with maturity more than 12 months)	160.22	131.99
Term deposits held against Deposit Repayment Reserve (with maturity more than 12 months)	207.28	122.98
Other Term Deposits (with maturity more than 12 months)	47.84	56.60
Interest Accrued on Term deposits	6.25	6.36
<b>TOTAL</b>	<b>766.22</b>	<b>665.12</b>

\*To avail Non fund based facilities from banks

**NOTE NO. '8' INCOME TAX ASSETS (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance payment of Income tax (net)	1,748.75	1,515.16
	<b>1,748.75</b>	<b>1,515.16</b>

**NOTE NO. '9' OTHER NON CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considerd Good</b>		
Capital Advances	2,154.06	836.49
<b>Other</b>		
Lease Equalization Asset	2.19	1.65
Balance with Government Authorities	11.00	11.00
Prepaid Expenses	19.71	7.66
<b>TOTAL</b>	<b>2,186.96</b>	<b>856.80</b>

**NOTE NO. '10' INVENTORIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(At the lower of Cost and Net Realizable Value)		
Raw Materials	9,624.07	9,581.98
Works-in-Progress	5,752.52	6,247.14
Finished goods	14,058.79	9,592.43
Stores & Spares	1,883.72	2,306.12
Waste	92.45	161.23
<b>TOTAL</b>	<b>31,411.55</b>	<b>27,888.90</b>

**The above inventories includes goods in transit as under**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Stores & Spares	66.66	-
<b>TOTAL</b>	<b>66.66</b>	<b>-</b>

10.1 Inventories include stocks lying with third parties ₹ 269.35 Lakhs (Previous Year ₹ 199.30 Lakhs)

10.2 Inventories are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.

## NOTE NO. '11' CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in Lakhs)

Particulars	No. of shares/ C.Y./ (P.Y.)	Face value per share/units C.Y./ (P.Y.)	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Measured at fair value through Statement of profit and loss Quoted</b>				
<b>In Equity Shares</b>				
Union Bank of India	10114 (10114)	10 (10)	6.72	3.91
<b>Unquoted</b>				
<b>In Equity Shares</b>				
Ambojini Property Developers Private Limited	360 (360)	10 (10)	0.07	0.07
<b>Unquoted</b>				
<b>In Debentures</b>				
10% Ambojini Property Developers Private Limited	3542 (3542)	100 (100)	6.97	6.97
Less : Impairment of Investments			(7.04)	(7.04)
<b>TOTAL</b>			<b>6.72</b>	<b>3.91</b>

C.Y. = Current Year ; P.Y. = Previous Year ;

(₹ In Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>In Equity (Quoted)</b>		
Aggregate Book Value	18.87	18.87
Aggregate Market Value	6.72	3.91
Impaired	12.15	14.96
<b>In Equity (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	0.07	0.07
<b>In Debenture (Unquoted)</b>		
Aggregate Book Value	-	-
Aggregate Market Value	-	-
Impaired	6.97	6.97

## NOTE NO. '12' CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade receivables, Unsecured</b>		
- Trade Receivables considered good	21,176.49	12,613.54
- Trade Receivables which have significant increase in credit risk	36.30	30.93
- Trade Receivables-credit impaired	1,296.90	1,357.91
	22,509.69	14,002.38
Less: Impairment allowance for doubtful trade receivables	1,296.90	1,357.91
<b>TOTAL</b>	<b>21,212.79</b>	<b>12,644.47</b>

**For Trade Receivables outstanding ageing schedule**

 As at 31<sup>st</sup> March, 2023

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	21,176.49	-	-	-	-	21,176.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	19.40	16.90	-	-	-	36.30
(iii) Undisputed Trade Receivables – credit impaired	512.95	245.40	4.44	-	60.12	822.91
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk -	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	473.98	473.98
<b>Total</b>	<b>21,708.84</b>	<b>262.30</b>	<b>4.44</b>	<b>-</b>	<b>534.10</b>	<b>22,509.69</b>

**For Trade Receivables outstanding ageing schedule**

 As at 31<sup>st</sup> March, 2022

(₹ in Lakhs)

DESCRIPTION OF ASSETS	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	12,613.54	-	-	-	-	12,613.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	14.08	6.02	10.84	-	-	30.93
(iii) Undisputed Trade Receivables – credit impaired	281.22	273.96	144.09	103.56	206.51	1,009.34
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk -	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	9.01	339.57	348.57
	<b>12,908.84</b>	<b>279.97</b>	<b>154.92</b>	<b>112.57</b>	<b>546.08</b>	<b>14,002.38</b>

a) Trade receivables are hypothecated to the banks for availing the fund based and non- fund based working capital facilities.

**b) Amount Receivables from Related Parties (Refer Note 46)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Tesca Textiles & Seat Components (India) Private Limited (A Joint Venture Company)	817.62	455.64
Aanswr Fashion Private Limited	347.42	135.05

## MOVEMENT IN IMPAIRMENT ALLOWANCE FOR DOUBTFUL TRADE RECEIVABLE

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Balance at the beginning of the year	1,357.91	1,537.97
Add: Impairment allowance for Doubtful Debts recognised	-	-
Less: Impairment allowance for Doubtful Debts Utilised	61.01	180.06
Less: Impairment allowance for Doubtful Debts Written Back	-	-
Balance at the end of the year	1,296.90	1,357.91

## NOTE NO. '13' CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Balances with Banks</b>		
-Current Account	1,415.93	1,828.72
<b>B. Cash On Hand</b>	44.79	46.19
<b>TOTAL</b>	<b>1,460.72</b>	<b>1,874.91</b>

## NOTE NO '14' BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Unpaid Dividend Account	23.91	22.18
Unspent CSR Account	-	7.84
Term Deposits held as margin money* (with maturity more than 3 months & less than 12 months)	1,545.38	501.98
Term deposits held against Deposit Repayment Reserve (with maturity more than 3 months & less than 12 months)	122.98	280.72
Other Term Bank Deposits (with maturity more than 3 months & less than 12 months)	506.61	28.36
Interest Accrued on Term deposits	71.67	26.06
<b>TOTAL</b>	<b>2,270.55</b>	<b>867.14</b>

\*To avail Non fund based facilities from banks.

## NOTE NO. '15' CURRENT FINANCIAL ASSETS: LOANS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, Considered good</b>		
Loans & Advances to Employees	170.31	123.24
	-	-
<b>TOTAL</b>	<b>170.31</b>	<b>123.24</b>

## NOTE NO. '16' OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, considered good</b>		
Forward Contract Receivables	8.28	43.86
Other Claim Receivables	337.38	181.94
Export Incentive Receivables	636.06	1,520.60
<b>TOTAL</b>	<b>981.72</b>	<b>1,746.40</b>



**NOTE NO. '17' OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, considered good, unless otherwise stated</b>		
Advance to Suppliers : Considered Good	2,602.61	2,094.60
Advance to Suppliers : Considered Doubtful	29.35	-
Recoverable from Revenue Authorities : Considered Good	2,051.75	3,126.84
Recoverable from Revenue Authorities : Considered Doubtful	53.84	29.57
Prepaid Expenses	210.82	151.92
	<b>4,948.35</b>	<b>5,402.93</b>
Impairment allowance for doubtful recoverable from revenue authorities and Suppliers	83.18	29.57
<b>TOTAL</b>	<b>4,865.17</b>	<b>5,373.36</b>

**NOTE NO. '18 EQUITY SHARE CAPITAL**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Authorized</b>		
12,17,00,000 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	6,085.00	6,085.00
(6,08,50,000 Equity Shares of ₹ 10/- each as at 31 March 2022)		
5,00,000 3% Redeemable Preference Shares of ₹ 100/- each	500.00	500.00
(5,00,000, 3% Redeemable Preference Share of ₹ 100/- each as at 31 <sup>st</sup> March 2022)		
3,00,000 3% Redeemable Cumulative Preference Shares of ₹ 100/- each (3,00,000 3% Redeemable Cumulative Preference Share of ₹ 100/- each As at 31 <sup>st</sup> March 2022)	300.00	300.00
	<b>6,885.00</b>	<b>6,885.00</b>
<b>Issued</b>		
3,42,86,114 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	1,714.31	1,714.31
(1,71,43,057 Equity Shares of ₹ 10/- each as at 31 March 2022)		
	1,714.31	1,714.31
<b>Subscribed and fully paid</b>		
3,42,32,084 Equity Shares of ₹ 5/- each (Refer Note no 18.5)	1,711.60	1,711.60
(1,71,16,042 Equity Shares of ₹ 10/- each as at 31 March 2022)		
	<b>1,711.60</b>	<b>1,711.60</b>

**18.1 Reconciliation of Number of Equity Shares Outstanding**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>At the beginning of the year</b>	1,71,16,042	1,71,16,042
Change During the Year (refer note no. 18.5)	1,71,16,042	-
<b>At the end of the year</b>	<b>3,42,32,084</b>	<b>1,71,16,042</b>

**18.2 Rights, preferences and restrictions to the shareholders : Equity Shares**

All equity shareholders are having right to get dividend in proportion to paid up value of each equity share as and when declared.

The Parent ("Banswara Syntex Limited") has equity shares having at face value of ₹ 5 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**18.3a Shares held by promoters at the end of the year**

Promoter name	No. of Shares as of 31 <sup>st</sup> March, 2023	%of total shares of 31 <sup>th</sup> March, 2023	% Change during the year
1 Smt. Kavita Soni	10,38,106	3.03	(12.63)
2 Shri Shaleen Toshniwal	42,81,490	12.51	-
3 Smt.Sonal Toshniwal	16,66,110	4.87	-
4 Smt.Navnita Mehra	7,54,211	2.20	(37.42)
5 Shri Ravindra Kumar Toshniwal	44,97,334	13.14	-
6 Smt.Prem Toshniwal	17,92,718	5.24	-
7 Smt.Radhika Toshniwal	23,64,964	6.91	-
8 Shri Dhruv Ravindra Kumar Toshniwal	-	-	(100.00)
9 Shri Udit Ravindra Toshniwal	1,20,740	0.35	(39.63)
10 Shri Rakesh Mehra	12,122	0.04	-
11 Niral Trading Pvt. Ltd.	11,23,330	3.28	-
12 Lawson Trading Company Pvt. Ltd.	8,10,036	2.37	-
13 Moonfine Trading Company Pvt. Ltd.	3,89,000	1.14	-
14 Speedshore Trading Company Pvt. Ltd.	4,05,472	1.18	-

**18.3b Shares held by promoters at the end of the year**

Promoter name	No. of Shares as of 31 <sup>st</sup> March, 2022	%of total shares of 31 <sup>th</sup> March, 2022	% Change during the year	No. of Shares as of 1 <sup>st</sup> April 2021	%of total shares of 1 <sup>st</sup> April 2021
1 Smt. Kavita Soni	5,94,053	3.47	(1.33)	6,02,075	3.52
2 Shri Shaleen Toshniwal	21,40,745	12.51	-	21,40,745	12.51
3 Smt.Sonal Toshniwal	8,33,055	4.87	-	8,33,055	4.87
4 Smt.Navnita Mehra	6,02,638	3.52	-	6,02,638	3.52
5 Shri Ravindra Kumar Toshniwal	22,48,667	13.14	-	22,48,667	13.14
6 Smt.Prem Toshniwal	8,96,359	5.24	-	8,96,359	5.24
7 Smt.Radhika Toshniwal	11,82,482	6.91	-	11,82,482	6.91
8 Shri Dhruv Ravindra Kumar Toshniwal	85,000	0.50	(15.00)	1,00,000	0.58
9 Shri Udit Ravindra Toshniwal	1,00,000	0.58	-	1,00,000	0.58
10 Shri Rakesh Mehra	6,061	0.04	-	6,061	0.04
11 Niral Trading Pvt. Ltd.	5,61,665	3.28	-	5,61,665	3.28
12 Lawson Trading Company Pvt. Ltd.	4,05,018	2.37	-	4,05,018	2.37
13 Moonfine Trading Company Pvt. Ltd.	1,94,500	1.14	-	1,94,500	1.14
14 Speedshore Trading Company Pvt. Ltd.	2,02,736	1.18	-	2,02,736	1.18

**18.4 Details of Shareholder's holding more than 5% of each class of shares issued by the Company -**

Name of shareholder	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
	No. of Shares	% of Shares	No. of Shares	% of Shares
<b>Equity Shares</b>				
Shri Ravindra Kumar Toshniwal	44,97,334	13.14	22,48,667	13.14
Shri Shaleen Toshniwal	42,81,490	12.51	21,40,745	12.51
Smt. Radhika Toshniwal	23,64,964	6.91	11,82,482	6.91
Smt. Prem Toshniwal	17,92,718	5.24	8,96,359	5.24
Cofipalux Invest S A	22,63,574	6.61	11,31,787	6.61

**18.5 - Share Split Detail**

The Parent (Banswar Syntex Ltd.) has sub divided its 171.16 lakhs equity shares of face value of ₹ 10/- each fully paid up into 342.32 Lakhs equity shares of face value of ₹ 5/- each fully paid up w.e.f. 08 September 2022 as recommended by the Board of Directors and approved by the share holders of the Parent (Banswar Syntex Ltd.) in the Annual General Meeting held on 30 July 2022.

**NOTE NO. '19' OTHER EQUITY**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(A) Capital Reserve</b>		
Opening Balance	20.43	20.43
Closing Balance	20.43	20.43
<b>(B) Capital Redemption Reserve</b>		
Opening Balance	173.00	173.00
Closing Balance	173.00	173.00
<b>(C) Securities Premium</b>		
Opening balance	2,959.00	2,959.00
Closing Balance	2,959.00	2,959.00
<b>(D) Share of Equity Component</b>		
Opening balance	4.82	4.82
Closing Balance	4.82	4.82
<b>(E) General Reserve</b>		
Opening Balance	19,137.10	19,137.10
Add: Transfer from Retained Earnings	-	-
Closing Balance	19,137.10	19,137.10
<b>(F) Retained Earnings</b>		
Opening Balance	15,875.29	11,709.04
Add : Profit for the year	11,274.25	4,562.04
Add: Remeasurement Gain/(Loss) of defined benefit plan	179.25	(139.05)
Less : Transfer to General Reserve	-	-
Less : Final Dividend on Equity Shares	427.90	256.74
	26,900.89	15,875.29
<b>Total</b>	<b>49,195.24</b>	<b>38,169.64</b>

**Nature & Purpose of the Reserve:**

**(A) Capital reserve:** Capital reserve created on account of merger/amalgamation. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(B) Capital redemption reserve:** Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

**(C) Securities premium:** Securities premium is credited when shares are issued at premium. This will be utilised in accordance with the provisions of the Companies Act, 2013.

**(D) General reserve:** The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Companies Act, 2013

**(E) Retained earnings:** The balance consists of surplus retained from earned profits after payment of dividend and tax thereon. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurement are not re-classified to the statement of profit and loss in subsequent period.

## NOTE NO. 20' NON CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Term Loan (Secured)</b>		
From Banks	14,281.54	12,365.04
Less: Current Maturity of Long term Debt (refer note no 25)	3,029.66	3,551.07
<b>Total (I)</b>	<b>11,251.88</b>	<b>8,813.97</b>
<b>Fixed Deposits (Unsecured)</b>		
From Directors (Including Independent Directors)	166.74	213.56
From Others	2,361.40	2,006.08
{Includes ₹ 779.01 Lakhs (Previous years ₹ 572.40 Lakhs) from related parties}		
	2,528.14	2,219.64
Less: Current Maturity of Long term Debt (refer note no 25)	1,422.14	403.64
<b>Total (II)</b>	<b>1,106.00</b>	<b>1,816.00</b>
<b>Total (III)=(I)+(II)</b>	<b>12,357.88</b>	<b>10,629.97</b>

## Repayment Schedule of Term Loan Payments

(₹ in Lakhs)

Term loan from Banks			Outstanding as on 31 <sup>st</sup> March, 2023			
Date of maturity	Rate of Interest	Term of Repayment	Total Outstanding	Long term Maturity	Current Maturity	Installment due aft. 31 <sup>st</sup> Mar 2023
31 March 2026	10.25%	Quartely	698.87	505.87	193.00	12
30 September 2025	10.25%	Quartely	192.78	128.78	64.00	10
30 June 2023	8.40%	Quartely	30.54	-	30.54	1
31 March 2027	7.90%	Monthly	880.19	660.00	220.19	48
30 November 2025	9.30%	Monthly	1,917.16	1,197.87	719.29	32
31 March 2025	8.70%	Quartely	800.20	400.01	400.19	8
30 September 2026	8.70%	Quartely	981.23	762.23	218.99	14
31 March 2026	8.70%	Quartely	377.80	277.71	100.09	12
31 December 2027	8.40%	Quartely	867.34	738.59	128.75	19
31 December 2027	8.40%	Quartely	384.19	325.60	58.59	19
31 March 2028	8.75%	Quartely	724.69	574.52	150.17	20
31 December 2029	8.75%	Quartely	1,137.70	968.67	169.03	27
31 December 2023	9.00%	Monthly	268.97	-	268.97	9
30 September 2029	8.11%	Monthly	5,019.88	4,712.02	307.86	66
<b>Total</b>			<b>14,281.54</b>	<b>11,251.88</b>	<b>3,029.66</b>	

(₹ in Lakhs)

Term loan from Banks			Outstanding as on 31 <sup>st</sup> March, 2022			
Date of maturity	Rate of Interest	Term of Repayment	Total Outstanding	Long term Maturity	Current Maturity	Installment due aft. 31 <sup>st</sup> Mar 2023
31 December 2022	11.50%	Quartely	251.92	-	251.92	3
31 March 2026	9.35%	Quartely	866.87	698.87	168.00	16
30 September 2025	9.35%	Quartely	248.78	192.78	56.00	14
02 April 2022	8.60%	Monthly	483.70	360.20	123.50	1
30 June 2023	9.70%	Quartely	456.62	154.00	302.62	6
30 September 2022	9.10%	Quartely	125.00	-	125.00	2
30 June 2022	7.80%	Quartely	363.19	-	363.19	3
30 November 2025	8.25%	Monthly	2,654.33	1,916.62	737.71	44
31 March 2025	9.10%	Quartely	1,050.27	800.01	250.26	12
30 September 2026	9.10%	Quartely	1,178.17	980.99	197.17	18
31 March 2026	9.10%	Quartely	467.83	377.71	90.12	16
31 December 2027	9.10%	Quartely	988.38	867.14	121.25	23
31 December 2027	9.10%	Quartely	439.21	384.10	55.11	23
31 March 2028	9.10%	Quartely	842.69	692.48	150.21	24
31 December 2029	9.10%	Quartely	1,273.73	1,104.65	169.08	31
31 December 2023	7.85%	Monthly	670.81	284.42	386.39	21
06 April 2022	8.25%	Quartely	3.54	-	3.54	1
<b>Total</b>			<b>12,365.04</b>	<b>8,813.97</b>	<b>3,551.07</b>	

**A. Securities for Term Loan from Banks:**

- (i) Terms Loans from Banks are secured by a joint equitable mortgage and /or hypothecation charges ranking pari-passu on immovable/movable properties situated at Banswara, Daman and Surat, both present and future of the Parent and are also secured by second charge on current assets of the Parent ("Banswara Syntex Limited") ranking pari-passu.
- (ii) Term Loans from Banks amounting to ₹ 5,303.69 Lakhs (Previous Year ₹ 6,821.90 Lakhs) are guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities as per sanctions of the respective Financial Institutions and Banks.

**B. For Fixed deposits**

- (i) Fixed Deposits accepted by Parent ("Banswara Syntex Limited") are in accordance with the provisions of section 73(2)(a) and section 76 of the Companies Act, 2013 and rule 4(1) and 4(2) of the Companies (Acceptance of Deposits) Rules, 2014 are unsecured. Fixed Deposits are repayable within 1 to 3 years depending upon the terms of deposits.
- (ii) Fixed Deposits Interest rate ranging from 8.50% to 9.50% (Previous Year 8.50% to 9.50%).

**NOTE NO. '21' NON CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
<b>Lease Liability</b>	221.36	254.21
Less : Current Maturities	66.27	56.26
Long term maturities	<b>155.09</b>	<b>197.95</b>
<b>Lease Liability Secured</b>	3.10	14.65
<b>Lease Liability Unsecured</b>	151.99	183.30
<b>Total</b>	<b>155.09</b>	<b>197.95</b>

**NOTE NO. '22' NON CURRENT LIABILITIES: PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provisions for Employee benefits</b>		
-Gratuity	246.95	221.61
Less : Short Term	93.30	76.10
	153.65	145.51
-Leave Encashment	374.12	353.44
Less : Short Term	119.85	101.63
	254.27	251.81
<b>Total</b>	<b>407.92</b>	<b>397.32</b>

(₹ In Lakhs)

<b>As of 31<sup>st</sup> March, 2023</b>		
<b>Movement of Provision as required by Para 84 of IND AS 37</b>	<b>Gartuity</b>	<b>Leave Encashment</b>
Opening Balance	221.61	353.44
Add : Expenses Charged to Statement of Profit and Loss	566.64	64.93
Less : Contribution paid	301.77	44.25
Less: Other Comprehensive Income(OCI) Gain	239.53	-
<b>Closing Balance</b>	<b>246.95</b>	<b>374.12</b>

(₹ In Lakhs)

<b>As of 31<sup>st</sup> March, 2022</b>		
<b>Movement of Provision as required by Para 84 of IND AS 37</b>	<b>Gartuity</b>	<b>Leave Encashment</b>
Opening Balance	14.83	232.40
Add : Expenses Charged to Statement of Profit and Loss	387.65	183.35
Less : Contribution paid	395.20	62.31
Add: Other Comprehensive Income(OCI) Loss	214.32	-
<b>Closing Balance</b>	<b>221.61</b>	<b>353.44</b>

**NOTE NO. '23' NON CURRENT LIABILITIES: DEFERRED TAX LIABILITIES (Net)**

Considering accounting procedure prescribed by the IND AS 12 "Income Taxes", the following amounts have been worked out and provided in books:

**Major components of deferred tax balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>		
i) Difference between accounting and tax depreciation	2,704.90	3,857.85
<b>Sub total (a)</b>	<b>2,704.90</b>	<b>3,857.85</b>
<b>Deferred Tax Assets</b>		
i) Provision for doubtful Trade Receivables /Advances	326.40	474.51
ii) Disallowances under section 43B of Income Tax, 1961	311.04	468.72
iii) Employee Benefits	156.31	200.95
iv) Deferred Tax on Account of Deferred Government Grant	44.12	69.64
v) Lease Equilization Assets	0.55	0.58
(vi) On account of Tax Loss	17.72	-
<b>Sub total (b)</b>	<b>856.14</b>	<b>1,214.40</b>
Less : MAT Credit Entitlement (c)*	-	32.14
<b>Deferred Tax Liabilities (Net) (a)-(b)-(c)</b>	<b>1,848.76</b>	<b>2,611.31</b>

\*Derecognised on utilising the option for the application of section 115BAA of the Income Tax Act 1961

**NOTE NO. '24' GOVERNMENT GRANT**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Non Current</b>		
Deferred Income	452.30	538.90
<b>Current</b>		
Deferred Income	84.47	82.34
<b>Total</b>	<b>536.77</b>	<b>621.24</b>

**Government Grant : Movement during the year :-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>At the beginning of the year</b>	621.24	671.54
Add: Received during the Year	-	32.04
Less: Transferred to statement of profit and loss	84.47	82.34
<b>As the end of the year</b>	<b>536.77</b>	<b>621.24</b>

**NOTE NO. '25' CURRENT FINANCIAL LIABILITIES: BORROWINGS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>From Banks (Secured)</b>		
<b>Loan Repayable on Demand</b>		
Cash Credit and Export Packing Credit Facilities	20,309.76	9,349.37
<b>Unsecured Loan from</b>		
Bank	-	1,999.85
<b>Current Maturities of Long Term Borrowings and Fixed Deposit</b>		
Term Loans (Secured)	3,029.67	3,551.07
Fixed Deposit (Unsecured)	1,422.14	403.64
<b>Total</b>	<b>24,761.57</b>	<b>15,303.93</b>

**Terms and Condition**
**Secured Loan**
**25.1 Securities and Guarantees**

- (i) Cash Credit Facility and Export Packing Credit Facility from banks are secured by way of hypothecation (Floating charges) of Raw material, Dyes-Chemicals, Packing Materials, Stores & Spares, Stock-in-process, Finished goods, Book debts, Export Incentives and second charge on all the Property, Plant and Equipments (situated at Banswara, Daman & Surat) of the Parent ("Banswara Syntex Limited") and also guaranteed by Shri Ravindra Kumar Toshniwal (Managing Director) and Shri Shaleen Toshniwal (Jt. Managing Director) in their personal capacities.
- (ii) Cash Credit Facility and Export Packing Credit Facility Interest rate ranging from 6.00 % to 8.40 % (Previous Year from 6.25 to 9.10%).

**NOTE NO. '26' CURRENT FINANCIAL LIABILITIES: LEASE LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Lease Liability Secured	3.10	11.54
Lease Liability Unsecured	63.17	44.72
<b>Total</b>	<b>66.27</b>	<b>56.26</b>

**NOTE NO. '27' CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Micro and Small Enterprises@	682.14	271.83
Others	8,176.32	10,435.08
<b>Total</b>	<b>8,858.47</b>	<b>10,706.91</b>



@ The figures have been disclosed on the basis of information received from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 and/or based on the information available with the Group.

### 27.1 Details of Dues to Micro Enterprises and Small Enterprises

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Principal amount due to suppliers registered under the Micro Enterprises and Small Enterprise Development Act, 2006, and remaining unpaid as at year end	682.14	271.83
Amount of Interest due to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, Act and remaining unpaid as at year end	2.32	1.25
Principal amounts paid to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	329.56	51.78
Amount of Interest paid, under the Micro Small and Medium Enterprise Development Act, 2006, to suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under the Micro Small and Medium Enterprise Development Act, 2006, for payment already made	2.96	1.26

### Trade Payables aging schedule as at 31<sup>st</sup> March 2023

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	396.85	0.76	6.12	1.19	404.92
(ii) Others	7,761.53	113.18	74.87	224.52	8,174.10
(iii) Disputed dues – MSME	-	35.02	242.20	-	277.23
(iv) Disputed dues - Others	-	-	0.15	2.08	2.23
	<b>8,158.39</b>	<b>148.97</b>	<b>323.34</b>	<b>227.78</b>	<b>8,858.47</b>

### Trade Payables aging schedule as at 31<sup>st</sup> March 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Year	
(i) MSME	265.65	6.12	-	0.06	271.83
(ii) Others	9,596.88	179.43	166.56	154.15	10,097.02
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	9.13	243.13	1.28	84.52	338.06
	<b>9,871.65</b>	<b>428.68</b>	<b>167.84</b>	<b>238.73</b>	<b>10,706.91</b>

### NOTE NO. '28' OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Other Liabilities</b>		
Liability for Capital Goods	60.99	980.07
Unclaimed Dividend	23.91	22.18
Investor Education and Protection Fund Payable*	4.30	4.30
Securities Deposits	347.90	200.06
Other Liabilities	4,495.16	3,367.09
<b>Total</b>	<b>4,932.27</b>	<b>4,573.70</b>

\*The Parent ("Banswara Syntex Limited") has deposited ₹ 4.30 Lakhs representing unpaid dividend for the Financial Year 2011-12 to the Investor Education and Protection Fund ("IEPF") vide Challan No.U56885791 dated 4<sup>th</sup> December, 2019. The company also filed a Statement in Form IEPF on 22 October 2019. The said amount was erroneously returned by IEPF authority with out any reason and credited to our Bank account. The company have lodged a complaint to IEPF authority in this regard and awaiting clearance from their side.

Except the amount stated as above, there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund at the year end."

**NOTE NO. '29' OTHER CURRENT LIABILITIES**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Contract Liabilities	537.25	1,378.33
Statutory Liabilities	1,134.36	1,122.16
<b>Total</b>	<b>1,671.61</b>	<b>2,500.49</b>

**NOTE NO. '30' CURRENT LIABILITIES: PROVISIONS**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Provisions for Employee benefits</b>		
-For Gratuity	93.30	76.10
-For Leave Encashment	119.85	101.63
<b>Total</b>	<b>213.15</b>	<b>177.73</b>

**NOTE NO. '31' CURRENT TAX LIABILITIES (NET)**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Provision for Income Tax (Net)	140.96	567.87
<b>Total</b>	<b>140.96</b>	<b>567.87</b>

**NOTE NO. '32' REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
(a) Sale of products	1,47,085.49	1,14,074.47
(b) Sale of services	728.49	3,147.19
<b>Sale of Products &amp; Services</b>	<b>1,47,813.98</b>	<b>1,17,221.65</b>
(c) Other Operating Revenue		
Export Incentives	2,063.79	1,755.47
<b>Total</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>

**NOTE NO. '33' OTHER INCOME**

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Interest Income</b>		
Interest Income from Bank Fixed Deposits	121.82	58.33
Interest Income from Others	94.28	128.56
<b>Other Non Operating Income</b>		
Net Gain on sales of property, plant and Equipments	233.00	269.31
Foreign Currency transaction and translation (net)	603.28	873.38
Dividend Income from Investment at FVTPL	0.19	-
Excess Provisions written back (net)	182.59	255.97
Government Grants	84.47	82.34
Miscellaneous Income	135.10	298.49
Gain on Fair Value Measurement of Investment through FVTPL	2.81	0.47
<b>Total</b>	<b>1,457.54</b>	<b>1,966.85</b>

## NOTE NO. '34' COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particular	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Raw Material Consumed</b>		
Opening stock	9,581.98	6,107.01
Add : Purchases	62,811.63	55,042.88
	72,393.61	61,149.89
Less : Closing stock	9,624.08	9,581.98
	62,769.53	51,567.91
Dyes & Chemicals Consumed	4,013.49	4,795.92
<b>Total</b>	<b>66,783.02</b>	<b>56,363.83</b>

## NOTE NO. '35' CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>A. Finished Goods</b>		
<b>Opening Stock</b>		
Yarn	4,964.86	3,434.12
Cloth	3,220.42	3,923.62
Garment	1,407.15	1,508.72
	<b>9,592.43</b>	<b>8,866.46</b>
<b>Closing Stock</b>		
Yarn	7,524.89	4,964.86
Cloth	5,118.45	3,220.42
Garment	1,415.45	1,407.15
	<b>14,058.79</b>	<b>9,592.43</b>
<b>B. Work-in Progress</b>		
<b>Opening Stock</b>		
Yarn	2,307.94	1,267.95
Cloth	2,991.59	1,602.94
Garment	947.61	450.55
	<b>6,247.14</b>	<b>3,321.44</b>
<b>Closing Stock</b>		
Yarn	2,052.17	2,307.95
Cloth	2,859.35	2,991.59
Garment	841.00	947.61
	<b>5,752.52</b>	<b>6,247.15</b>
<b>C. Waste</b>		
<b>Opening Stock</b>	<b>161.23</b>	<b>143.22</b>
<b>Closing Stock</b>	<b>92.45</b>	<b>161.23</b>
<b>Total</b>	<b>(3,902.96)</b>	<b>(3,669.69)</b>

## NOTE NO. '36' EMPLOYEE BENEFITS EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Salaries, Wages and Bonus	25,964.40	19,954.40
Contribution to Provident and Other Funds	2,095.38	1,676.74
Workmen & Staff Welfare Expenses	578.38	290.15
<b>Total</b>	<b>28,638.16</b>	<b>21,921.28</b>

**Disclosure as per Ind AS 19' Employee Benefit'**
**A) Defined contribution plan**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Employer's contribution to Regional provident fund	1,619.99	1,290.32
Employer's contribution to Employee State Insurance Corporation	321.30	264.86
<b>Total</b>	<b>1,941.29</b>	<b>1,555.18</b>

The Group has recognised an expenses of ₹ 1,941.29 Lakhs (Previous Year ₹ 1,555.18 Lakhs) towards the defined contribution plan.

In accordance with the Employees Provident Fund & Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employees and the employer make monthly contributions to the plan at a predetermined rate of an employee's basic salary. These contributions are made to the regional fund administered and managed by the Employees Provident Fund Organisation (EPFO). The Group has no further obligations under the fund managed by the EPFO beyond its monthly contributions which are charged to the statement of profit and loss in the period they are incurred.

**B) Defined benefits plan**

The Group has following post employment benefits which are in the nature of defined benefit plans:

**Gratuity**

The Group provides for gratuity payable to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary divided by 26 days multiplied for the number of years of service. The gratuity plan is a funded plan administered by a Trust and the Company makes contributions to Life Insurance Corporation of India (LIC).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Change in defined benefit obligations:</b>		
Defined benefit obligation at the beginning of the year	1,960.67	1,641.77
Current service cost	561.80	400.05
Interest cost	124.73	97.95
Past service cost	-	-
Benefits paid	(279.64)	(398.46)
Actuarial (gains)/losses	(233.21)	219.36
<b>Defined benefit obligation, end of the year</b>	<b>2,134.35</b>	<b>1,960.67</b>

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Fair value of plan assets at the beginning of the year	1,739.06	1,626.93
Return on plan assets, (excluding amount included in net Interest expense)	6.33	5.03
Interest income	119.88	110.36
Employer's contributions	301.77	395.20
Benefits paid	(279.64)	(398.46)
<b>Fair value of plan assets, end of the year</b>	<b>1,887.39</b>	<b>1,739.06</b>

**Amount recognized in the balance sheet consists of:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Present value of defined benefit obligation	2,134.35	1,960.67
Fair value of plan assets	1,887.39	1,739.06
<b>Net liability</b>	<b>246.95</b>	<b>221.62</b>
<b>Amounts in the balance sheet:</b>		
Current Liability	93.30	76.10
Non-current liabilities	153.65	145.51
<b>Net liability</b>	<b>246.95</b>	<b>221.61</b>

**Total amount recognized in Profit or Loss consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Current service cost	561.80	400.05
Past Service Cost	-	-
Net Interest	4.84	(12.41)
<b>Total Expense recognised in statement of profit or loss</b>	<b>566.64</b>	<b>387.64</b>

**Net Interest Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Expenses	124.73	97.95
Interest Income	119.88	110.36
<b>Net Interest</b>	<b>4.84</b>	<b>(12.41)</b>

**Amount recognized in other comprehensive income consists of:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actuarial (Gain)/Loss on Obligation	(233.21)	219.36
Return on Plan Assets excluding net Interest	(6.33)	(5.03)
<b>Total Actuarial (Gain)/Loss recognised in (OCI)</b>	<b>(239.53)</b>	<b>214.33</b>

**Actuarial (Gain)/Loss on obligation Consists:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	146.25	220.49
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(379.46)	(1.13)
<b>Total Actuarial (Gain)/Loss</b>	<b>(233.21)</b>	<b>219.36</b>

**Return on Plan Assets excluding net Interest Consists**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Actual Return on plan assets	126.21	115.39
Interest Income included in Net Interest	119.88	110.36
<b>Return on Plan Assets excluding net Interest</b>	<b>6.33</b>	<b>5.03</b>

**Information for funded plans with a defined benefit obligation less than plan assets:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Defined benefit obligation	2,134.35	1,960.67
Fair value of plan assets	1,887.39	1,739.06
<b>Net Liability</b>	<b>246.95</b>	<b>221.62</b>

**The assumptions used in accounting for the Gratuity are set out below:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate	7.29%	6.85%
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of increase in compensation level of covered employees	5.00%	5.00%
Expected Return on Plan Assets	7.29%	6.85%
Expected average remaining services	20.93	21.08
Retirement age	60 Years	60 Years
Employee Attrition rate	Upto Age 45: 2% 46 and above: 1%	Upto Age 45: 2% 46 and above: 1%

**Sensitivity Analysis:**

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 1% in the assumed rate of discount rate. (₹ In Lakhs)

Assumptions	Change in assumption	Change in PV of obligation Gratuity	
		As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Discount rate	Increase by 1%	1,885.74	1,727.52
	Decrease by 1%	2,438.15	2,246.55
Salary escalation rate	Increase by 1%	2,436.05	2,242.71
	Decrease by 1%	1,884.05	1,727.37

**Expected Payout**

(₹ in Lakhs)

Particulars	First Year	Second Year	Third to fifth Year	More than 5 Year
PVO payout Gratuity as of 31 <sup>st</sup> March, 2023	93.30	81.11	306.15	761.61
PVO payout Gratuity as of 31 <sup>st</sup> March, 2022	76.10	81.61	287.40	641.82

**Plan Assets**

Plan assets comprise the following

(₹ in Lakhs)

Particular	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Deposit with</b>		
Gratuity Trust	5.26	4.17
Group Insurance Scheme Insurance Company (LIC)	1,882.14	1,734.89
<b>Total</b>	<b>1,887.40</b>	<b>1,739.06</b>

**Risk Exposure**

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

**a) Asset volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities.

The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. the Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. the Group intends to maintain the above investment mix in the continuing years.

**b) Changes in discount rate**

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

**c) Inflation risks**

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

**d) Life expectancy**

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Group's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

the Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. the Group has not changed the processes used to manage its risks from previous periods. the Group uses derivatives to manage some of its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

**C) Other Long Term Employee Benefit****Leave Policy**

Other long term employee benefit includes earned leave to the employees of the Group which accrue annually for 24 days. Earned leave can be accumulated up to 90 days while in service. These accumulated earned leave are encashable at the time of retirement or leaving the services of the Group. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. A provision of ₹ 64.93 Lakhs (Previous Year: ₹ 183.34 Lakhs) have been made on the basis of actuarial valuation and debited to the Statement of Profit and Loss.

Amount of ₹ 120.75 Lakhs (Previous Year; ₹ 250.91 Lakhs) is recognised as expenses and included in Note No 36 "Employee benefit expenses"

**NOTE NO. '37' FINANCE COST**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Interest Expenses		
On Term Loans	1,093.00	1,259.50
On Working Capital	1,490.52	714.31
Finance Lease Charges	19.42	13.61
Other Borrowing Cost	571.03	491.86
<b>Total</b>	<b>3,173.97</b>	<b>2,479.27</b>

**NOTE NO. '38' DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Right of Use Assets Depreciation (Refer Note 3)	73.04	70.58
Depreciation (Refer Note 2 and 5)	4,005.01	4,115.41
<b>Total</b>	<b>4,078.05</b>	<b>4,185.99</b>



**NOTE NO. '39' OTHER EXPENSES**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Consumption of Stores, Spares & Consumbale	4,483.84	3,726.72
Packing Material Consumed	2,709.73	2,041.92
Power	4,779.41	3,951.07
Fuels	14,440.10	12,006.69
Processing and Job Charges	2,335.85	1,781.18
Repairs and Maintenance		
Plant & Machinery	514.97	374.38
Building	389.00	310.91
Others	87.83	68.76
Rent	30.72	5.81
Rates and Taxes	230.12	132.19
Insurance	471.25	413.07
Payment to Statutory Auditor		
Auditor's Remunration (Refer Note No 39.1 )	31.84	25.43
Directors' Fees (Refer Note No.46)	41.37	39.40
Travelling & Conveyance Expenses	451.31	155.30
Communication Expenses	318.27	256.54
Legal, Professional & Consultancy expenses	480.83	431.85
Charity & Donation	15.51	6.38
Corporate Social Responsibility Expenses (CSR)	129.52	66.33
Business Promotion Expenses	147.55	69.79
IT Outsourced Support Services	124.45	114.25
Water & Electricity Charges	139.35	125.13
Selling Expenses	2,036.19	1,556.47
Freight, Octroi and Forwarding Charges	3,307.49	4,173.33
Advertisements Expenses	14.70	10.77
Bad Debts/Advances Written Off	61.01	194.99
Less:- Adjusted against Provision for Doubtful Debts	(61.01)	(180.06)
Provision for Doubtful Advances/Receivables	24.23	-
Miscellaneous Expenses	880.76	603.14
<b>Total</b>	<b>38,616.19</b>	<b>32,461.73</b>

**NOTE NO. '39.1' AUDITORS REMUNRATION**

(₹ in Lakhs)

Auditor's Remuneration (excluding GST)	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Payment to Statutory Auditors</b>		
Audit Fee	26.20	22.50
Fee for Other Services	0.40	0.30
Reimbursement of Expenses	2.74	0.23
<b>Payment to Cost Auditors</b>		
Audit Fee	2.50	2.40
<b>Total</b>	<b>31.84</b>	<b>25.43</b>

## NOTE NO. '40' EARNINGS PER SHARE

Particulars		Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
a) Profit for the year	₹ In Lakhs	11,274.25	4,562.04
b) Weighted average number of equity shares outstanding	Nos.	3,42,32,084	3,42,32,084
c) Face value per share	₹	5.00	5.00
d) Earnings Per Share:#			
- Basic	₹	32.93	13.33
- Diluted	₹	32.93	13.33

## Weighted average number of equity shares outstanding (used as denominator) (Nos.)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Opening balance of issued equity shares	1,71,16,042	1,71,16,042
Increase in the Number of Share on account of Shares Split	1,71,16,042	1,71,16,042
Weighted average number of equity shares for computing Basic Diluted EPS	3,42,32,084	3,42,32,084

#The Parent ("Banswara Syntex Limited") has sub divided its 171.16 lakhs equity shares of face value of Rs. 10 each fully paid-up into 342.32 Lakhs equity shares of face value of ₹ 5 each fully paid up w.e.f. 08 September 2022 as recommended by the Board of Directors and approved by the share holders of the Parent ("Banswara Syntex Limited") in the Annual General Meeting held on 30 July 2022. Earning per share has been calculated/restated, as applicable, for all the periods presented after considering the new number of equity shares post such split in line with provision of applicable IND AS and to make the figures of EPS comparable with previous period.

## Disclosures

## Note no 41. Disclosure as per Ind AS 12 'Income Tax'

## a) Income Tax Expense

## i) Income Tax recognised in the statement of profit and loss

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Current Tax Expenses</b>		
Current Income Tax	3,656.71	2,854.12
Tax Adjustment of Earlier Years	(1.39)	(0.21)
<b>Total current Tax expenses</b>	<b>3,655.32</b>	<b>2,853.91</b>
<b>Deferred tax</b>		
Deferred Tax Expenses	(794.70)	(326.14)
<b>Total deferred tax expenses</b>	<b>(794.70)</b>	<b>(326.14)</b>
<b>Total Income tax expenses</b>	<b>2,860.62</b>	<b>2,527.77</b>

## ii) Income tax recognised in other comprehensive income (OCI)

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Current Tax Expenses</b>		
Net actuarial (loss)/gain on defined benefit plan	60.29	(74.89)
Total current Tax expenses	60.29	(74.89)

**iii) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Profit before tax</b>	14,374.40	6,987.23
Tax using the Grouptax rate @ 25.168% (Previous Year @ 34.944%)	3,617.75	2,441.62
Tax effect of :		
Non deductible tax expenses (CSR)	32.60	23.18
Non deductible tax expenses (Donation)	3.90	2.23
Non deductible tax expenses (MSME Interest and Interest on Income Tax)	1.33	0.88
Tax Adjustment of Earlier Years	1.39	0.21
Others	(736.06)	(15.23)
<b>Total tax expenses in the statement of profit and loss</b>	<b>2,920.91</b>	<b>2,452.88</b>

**Movement in deferred tax balances**
**31<sup>st</sup> March, 2023**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2022	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2023
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	3,857.85	(1,152.95)	-	-	2,704.90
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	474.51	(148.11)	-	-	326.40
ii) Disallowances under section 43B of Income Tax Act, 1961	468.72	(157.68)	-	-	311.04
iii) Employee Benefits	200.95	(44.64)	(60.29)	-	156.31
iv) Deferred Tax on Account of Deferred Government Grant	69.64	(25.52)	-	-	44.12
(vi) Lease Equilization Assets	0.58	(0.03)	-	-	0.55
(vi) On account of Tax Loss	-	17.72	-	-	17.72
(viii) MAT Credit Entitlement	32.14	-	-	32.14	-
<b>Net tax assets/(liabilities)</b>	<b>2,611.31</b>	<b>(794.69)</b>	<b>60.29</b>	<b>32.14</b>	<b>1,848.76</b>

**31<sup>st</sup> March, 2022**

(₹ in Lakhs)

Particulars	Net Balance 1 <sup>st</sup> April, 2021	Recog. in profit and loss	Recognised in OCI	Others	Net Balance 31 <sup>st</sup> March, 2022
<b>Deferred Tax Liabilities</b>					
i) Difference between accounting and tax depreciation	4,153.54	(295.69)	-	-	3857.85
<b>Deferred Tax Assets</b>					
i) Provision for doubtful Trade Receivables	537.43	(62.92)	-	-	474.51
ii) Disallowances under section 43B of Income Tax Act, 1961	480.33	(11.66)	-	-	468.72
iii) Employee Benefits	86.39	39.67	74.89	-	200.95
iv) Deferred Tax on Account of Deferred Government Grant	79.37	(9.73)	-	-	69.64
(v) Lease Equilization Assets	0.37	0.21	-	-	0.58
(vi) MAT Credit Entitlement	267.32	-	-	(235.18)	32.14
<b>Net tax assets/(liabilities)</b>	<b>2,702.33</b>	<b>(251.26)</b>	<b>(74.89)</b>	<b>235.18</b>	<b>2,611.31</b>

**Note no. 42. Disclosure as per Ind AS 2 'Inventories'****Amount of inventories recognised as expense during the year is as under:**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Cost of Material Consumed	66,783.02	56,363.83
Changes in Inventories Of Finished Goods, Stock-In-Trade and Work-In-Progress	(3,902.96)	(3,669.69)
Power and Fuel (Coal)	14,440.10	12,006.69
Packing Material Consumed	2,709.73	2,041.92
Stores & Spare Parts Consumed	4,483.84	3,726.72
<b>Total</b>	<b>84,513.72</b>	<b>70,469.48</b>

**Note No. 43. Disclosure as per Ind AS-116 "Leases"**

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**As Lessee****(A) Addition to right of use assets**

Property, plant and equipment comprises owned and leased assets that do not meet the definition of investment property. (₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Property, plant and equipment owned	-	-
Right-of-use assets, except for investment property	36.02	256.85
<b>Total</b>	<b>36.02</b>	<b>256.85</b>

**(B) Carrying value of right of use ("ROU") assets at the end of the reporting period by class**

(₹ in Lakhs)

Particulars	Land	Building	Plant & Machinery
Balance at 1 <sup>st</sup> April 2022	352.00	372.58	56.49
Add : Right of Use Building Recognized during the year	-	36.02	-
Less : Disposal of ROU during the year	-	129.45	24.62
Gross Block Value of Right of Use	352.00	279.15	31.87
Opening Accumulated Depreciation	34.79	144.71	30.20
Add : Depreciation charge for the year	6.66	63.19	3.19
Less : Depreciation on Disposal of ROU	-	122.83	24.62
Closing Accumulated Depreciation	41.45	85.07	8.77
Balance at 31 <sup>st</sup> March 2023	310.55	194.08	23.10

**(c) Maturity analysis of lease liabilities**

(₹ in Lakhs)

Maturity analysis-contractual undiscounted cash flows	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Less than One year	81.55	75.14
One to five years	171.29	227.10
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>252.83</b>	<b>302.24</b>
<b>Lease liabilities included in the statement of financial position</b>	<b>221.36</b>	<b>254.21</b>

**(D) Amounts recognised in the Statement of profit and loss**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Interest on lease liabilities	19.42	13.61
Amortization recognized	73.04	70.58
Expenses related to short term leases	29.26	5.81

**(E) Amounts recognised in the statement of cash flows**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Total cash outflow for leases	61.39	70.69

**As Lessor**
**(A) Operating Lease**

The Group has entered into operating leases on its office buildings. These leases have terms of 10 to 15 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total rents recognised as income during the year is ₹ 14.38 Lakhs (Previous Year: ₹ 10.35 Lakhs). Future minimum rentals receivable under non-cancellable operating leases as follows: (₹ In Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Within one year	14.41	14.07
After one year but not more than five years	58.32	58.15
More than five years	67.05	81.63

The Group has also recognized lease equalization assets amounting to ₹ 2.20 Lakhs (Previous Year : ₹ 1.65 Lakhs) on account of escalation clause in the lease arrangement.

**Note No. 44. Disclosure as per Ind AS-27, Separate Financial Statement**

Interest in Joint Venture

Name of Entity	Place of Business/ Country Of Incorporation	Proportion Of Ownership Interest	
		As at 31.03.2023	As at 31.03.2022
Tesca Textiles & Seat Components (India) Private Ltd.	India	40.64%	40.45%

Nature of the business of Joint Venture Entity is Textile.

The Company's share of assets, liabilities, income and expenses of Joint Venture is as follows:

(₹ in Lakhs)

Name of the Joint Venture	Financial Year	Assets	Liabilities	Income	Expenses	Profit
Tesca Textiles & Seat Components (India) Private Limited	2022-23	1,903.17	1,276.10	4,077.54	3,862.09	192.83
	2021-22	1,701.92	1,350.59	3,078.69	3,176.04	(114.17)

**Note No. 45. Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'**

The amount of exchange differences (net) credited to the Statement of Profit &amp; Loss is ₹ 603.28 Lakhs (Previous Year: ₹ 873.38 Lakhs).

**Note no. 46. Disclosure as per Ind AS 24 'Related Party Disclosures'**

The Group has identified all the related parties as per details given below:

**1. List of Related Parties:**
**a) Joint Venture:**

Tesca Textiles &amp; Seat Components (India) Private Limited

**b) Key Management Personnel:**

Shri Rakesh Mehra (Chairman)

Shri Ravindra Kumar Toshniwal (Managing Director)

Shri Shaleen Toshniwal (Joint Managing Director)

Shri J.K. Jain (Joint President &amp; Chief Financial Officer) (Upto 01 December 2021)

Smt. Kavita Gandhi (CFO) (w.e.f. 15 May 2023)

Shri H.P. Kharwal (Group Secretary)

Shri Pankaj Gharat (Chief Financial Officer) (from 03 May 2022 to 28 February 2023)

**c) Independent/Non Executive Director**

Shri P.Kumar  
 Shri D.P.Garg  
 Shri S.B. Agarwal  
 Shri Vijay Kumar Agarwal  
 Shri Kamal Kishore Kacholia  
 Shri Vijay Mehta  
 Dr. Vijayanti Pandit  
 Shri J.M. Mehta  
 Shri David Vlerick

**d) Enterprises where Relative of Key Management Personnel has Control**

Aanswr Fashion Private Limited

**e) Relative of Key Management Personnel/Independent or Non Executive Director where transactions have taken place :**

Smt. Prem Toshniwal  
 Smt. Radhika Toshniwal  
 Smt. Sonal Toshniwal  
 Smt. Kavita Soni  
 Smt. Suman Jain  
 Smt. Sonal Garg Pareek  
 Smt. Radha Devendra Pal Garg  
 Shri Saurabh Agarwal  
 Shri Saurabh Agarwal And Sons HUF  
 Shri S S Agarwal HUF  
 Smt. Sunita Agarwal

Note: Related party relationship is as identified by the Group and relied upon by the Auditors.

"All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

(₹ In Lakhs)

Nature of transaction	Influence	2022-23	2021-22
<b>Tesca Textiles &amp; Seat Components (India) Private Limited</b>	Joint Venture		
Sales of Goods and Materials*		2,679.86	2,063.08
Purchase of Goods and Materials*		8.03	29.77
Rendering of Services*		322.07	466.11
Business Support Services*		-	0.96
Claim on Fabrics given*		46.20	-
Investment made during the year		88.90	178.00
<b>Aanswr Fashion Private Limited</b>	Relative of Key Managerial Personnel has Control		
Sales of Goods and Materials*		811.14	251.45
Purchase of Goods and Materials*		48.83	21.44
Rendering of Services*		31.56	9.75
Reimbursement of Expenses		-	0.44
Business Support Services*		12.80	-
Claim on Garment given*	0.71	14.49	

<b>Nature of transaction</b>	<b>Influence</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Remuneration</b>			
Shri Rakesh Mehra	Key Management Personnel	387.60	294.14
Shri Ravindra Kumar Toshniwal		294.72	208.28
Shri Shaleen Toshniwal		290.59	200.60
Shri J.K. Jain		-	100.79
Shri Pankaj Gharat		18.14	-
Shri H P Kharwal		12.96	11.25
Shri Dhruv Toshniwal	Relative of Key Management Personnel	-	38.34
Shri Udit Toshniwal		-	31.49
Smt Kavita Soni		55.84	50.37
<b>Purchase of Property, Plant &amp; Equipments</b>			
Shri Prem Toshniwal	Relative of Key Managerial Personnel has Control	35.00	-
<b>Interest Expenses</b>			
Shri Ravindra Kumar Toshniwal	Key Management Personnel	0.90	0.90
Shri Shaleen Toshniwal		6.61	8.68
Smt Prem Toshniwal	Relative of Key Management Personnel	36.44	30.62
Smt Radhika Toshniwal		0.90	0.90
Smt Sonal Toshniwal		0.18	0.18
Smt Kavita Soni		15.82	10.97
Shri J.K. Jain HUF		-	0.05
Smt Anita Jain		-	0.08
Shri Garvit Jain		-	0.03
Shri S.B. Agarwal & Sons HUF		Relative of Non Executive Director	0.45
Shri Saurabh Agarwal & Sons HUF	2.11		1.98
Shri S.S. Agarwal HUF	1.36		1.41
Smt. Sonal Garg Pareek	-		0.90
Smt. Radha Devendra Pal Garg	-		0.45
Shri Saurabh Agarwal	0.54		0.54
Smt Suman Jain	-		0.29
Shri Vijay Mehta	Independent/Non Executive Director		9.50
Shri D.P. Garg		-	2.26
<b>Sitting Fees - Non Executive Directors</b>			
Shri S.B. Agarwal	Non Executive Director	6.60	6.00
Shri K.K. Kacholia		6.00	4.20
Shri P. Kumar		6.60	6.40
Shri D.P. Garg		4.20	3.80
Shri Vijay Mehta		4.80	4.20
Shri J.M. Mehta		6.00	5.00
Shri V.K. Agarwal		1.80	2.20
Dr. Vaijayanti Pandit		4.80	4.80
Shri David Vlerick		0.55	2.80



Nature of transaction	Influence	2022-23	2021-22
<b>Fixed Deposit Accepted</b>			
Smt Prem Toshniwal	Relative of Key Management Personnel	74.00	87.00
Smt Kavita Soni		175.00	-
Shri Saurabh Agarwal And Sons HUF	Relative of Non	-	2.00
Shri S.B. Agarwal & Sons HUF	Executive Director	2.00	-
<b>Fixed Deposit Repayment</b>			
Shri Shaleen Toshniwal	Key Management Personnel	45.00	-
Shri D.P. Garg	Independent/Non Executive Director	-	50.00
Smt Prem Toshniwal	Relative of Key Management Personnel	49.00	-
Smt Kavita Soni		-	200.00
Mr. Garvit Jain		-	5.00
Smt. Anita Jain		-	14.00
Shri J.K. Jain HUF		-	10.00
Smt. Radha Devendra Pal Garg	Relative of Non	-	10.00
Smt Suman Jain	Executive Director	3.00	-
Smt. Sonal Garg Pareek		-	20.00
<b>Fixed Deposits Payable</b>			
Shri Ravindra Kumar Toshniwal	Key Management	10.40	10.40
Shri Shaleen Toshniwal	Personnel	52.08	98.89
Smt Prem Toshniwal	Relative of Key	431.28	403.63
Smt Radhika Toshniwal	Management	10.40	10.40
Smt Sonal Toshniwal	Personnel	2.08	2.08
Smt Kavita Soni		284.26	104.26
Shri S.B. Agarwal & Sons HUF	Relative of Non	5.20	3.13
Shri Saurabh Agarwal & Sons HUF	Executive Director	23.93	23.89
Shri S.S. Agarwal HUF		15.61	15.63
Shri Saurabh Agarwal		6.24	6.24
Smt Suman Jain		-	3.13
Shri Vijay Mehta	Independent/Non Executive Director	104.26	104.26
<b>Investment in</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	607.76	332.87
<b>Amount Payable</b>			
Shri Ravindra Kumar Toshniwal	Key Management	-	44.80
Shri Rakesh Mehra	Personnel	-	42.70
Shri Shaleen Toshniwal		-	44.80
Shri H P Kharwal		-	0.74
Shri H P Kharwal (Received against Vehicle Scheme)		0.09	0.47

(₹ In Lakhs)

Nature of transaction	Influence	2022-23	2021-22
<b>Amount Receivable (net)</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	817.62	455.64
Aanswr Fashion Private Limited	Enterprises where Relative of Key Management Personnel has Control	347.42	135.05
Shri H P Kharwal (Medical Loan)		1.28	-
<b>Security Deposit Payable</b>			
Tesca Textiles & Seat Components (India) Private Limited	Joint Venture	0.88	0.88

\*Above mentioned amount includes Goods and Services Tax (GST)

In respect of the outstanding balance recoverable from related parties as at 31<sup>st</sup> March 2023, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such parties.

**Compensation to key managerial personnel of the Company**

(₹ In Lakhs)

Nature of benefits#	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Short term employee benefits	959.35	764.92
Post-employment benefits	44.65	50.15
<b>Total</b>	<b>1,004.00</b>	<b>815.07</b>

# This aforesaid amount does not includes amount in respect of gratuity and leave as the same is not determinable.

**Note no. 47. Disclosure as per Ind AS 37 'Provisions, contingent liabilities and contingent assets'**
**1. Contingent liabilities :-**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Bills discounted/Purchased with banks remaining outstanding		
a) With Banks		
(i) Against foreign Letter of Credit (LC)	485.61	2,120.88
(ii) Against Inland Letter of Credit (LC)	-	49.54
b) With Others	152.86	581.74
Claims against the Group not acknowledged as debt: -		
(a) Under Tax Laws [payment made ₹ 574.54 Lakhs (Previous Year ₹ 574.54 Lakhs)]	2,493.51	2,491.26
(b) On account of electrical inspection fee {paid ₹ 11 Lakhs (Previous Year ₹ 11 Lakhs)}	23.78	23.78

There is no reimbursement possible on account of contingent liabilities.

**2. Capital Commitments:**
**Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Estimated amount of contracts remaining to be executed on Capital account (net of advance)	5,117.64	4,164.76
Future Export obligation against EPCG licenses	9,493.00	1,728.00

**Note No. 48. Disclosure as per Ind AS 16 'Property, Plant and Equipment'**

The carrying amounts of assets Hypothecated and Mortgage as security for current and non-current borrowings are:-

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	21,212.79	12,644.47
Term Deposits held as margin money	1,705.60	633.97
<b>Non-Financial Assets</b>		
Inventories	31,411.55	27,888.90
<b>Total Current assets Hypothecated as security</b>	<b>54,329.94</b>	<b>41,167.34</b>
<b>Non-Current Assets</b>		
Land	874.61	874.61
Building	12,585.87	11,282.81
Plant & Equipment	20,506.24	16,871.66
Furnitures	248.16	159.05
Others	2,070.46	1,453.47
Capital Work in Progress	2,184.94	2,891.60
Intangible Assets	164.08	229.07
<b>Total Non-Current assets Mortgage as security</b>	<b>38,634.35</b>	<b>33,762.27</b>
<b>Total Assets Hypothecated and Mortgage as security</b>	<b>92,964.29</b>	<b>74,929.61</b>

**Note No. 49. Disclosure as Per Ind AS 115 Revenue from Contracts with Customers****A. Applicability of Ind AS 115**

The Group has followed the IND AS 115 during the year. All service contracts have an original duration of one year or less and therefore the Group uses practical expedient to not disclose unsatisfied performance obligations

**B. Disaggregation of revenue**

Set out below is the disaggregation of the Group's revenue from contracts with customers:

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
<b>Type of goods or service</b>		
<b>Sale of goods</b>	1,49,149.28	1,15,829.93
Job Work Income	728.49	3,147.19
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>
<b>Geographical markets</b>		
India	77,439.75	65,088.89
Outside India	72,438.01	53,888.23
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	1,49,149.28	1,15,829.93
Services transferred over time	728.49	3,147.19
<b>Total Revenue from contracts with customers</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>

**Contract Balances**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Trade receivables	21,212.79	12,644.47
Contract Liabilities	537.25	1,378.33

**Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Revenue as per contracted price	1,49,968.65	1,19,163.56
Adjustments	-	-
Rebate/Cash Discount	90.89	186.44
<b>Revenue from contracts with customers</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>

**Performance obligation**

Information about the Group's performance obligations are summarised below:

**a) Income from Sale of Goods**

Revenue from sale of products are recognized at a point in time on transfer of promised product to customer upon transfer of control in an amount that reflects the consideration that the Group expects to receive in exchange for those product. The performance obligation is satisfied upon delivery of goods and payment is generally due within 30 to 180 days from delivery. The contract generally provide customers with a right to early payment rebate which give rise to variable consideration subject to constraint.

**b) Income from Rendering of Services**

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

**Note No. 50. Disclosure as per Ind AS 108 'Operating segment'**

- (a) The Group is engaged in production of textile products having integrated working and captive power generation. For management purpose, Group is organized into major operating activity of the textile products. The Group has no activity outside India except export of textile products manufactured in India. Thereby, no geographical segment and no segment wise information is reported.
- (b) The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Revenue from external customers	72,438.01	53,888.23
India	77,439.76	65,088.89
<b>Total</b>	<b>1,49,877.77</b>	<b>1,18,977.12</b>

## Detail of Country wise Revenue from Major Countries

(₹ in Lakhs)

Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
Turkey	10,273.58	8,829.45
Hong Kong	8,513.48	-
United State of America	5,302.45	3,974.96
South Korea	4,286.78	1,190.13
Belgium	3,685.86	184.44
Utd.Arab Emir.	3,426.98	1,971.45
United Kingdom	3,419.75	1,720.01
South Africa	3,289.92	2,890.63
Sri Lanka	2,755.88	2,630.73
Bangladesh	2,670.20	2,716.82
Vietnam	875.20	3,265.73
Maxico	1,471.89	2,235.34
Others	22,466.04	24,434.44
<b>Total</b>	<b>72,438.01</b>	<b>53,888.23</b>

## Note No. 51. Disclosure as per Ind AS 107 'Financial instrument disclosure'

## A) Capital management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance).

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Gross Debt	37,340.81	26,188.11
Less : Cash and cash equivalents	1,460.72	1,874.91
Net Debt (A)	35,880.09	24,313.20
Total Equity (B)	50,906.84	39,881.24
Gearing Ratio (A/B)	0.70	0.61

## B) Financial risk management

## Financial Risk Management

The Group's principal financial liabilities comprise Borrowings, trade payables, Lease Liabilities and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade & other receivables, cash & cash Equivalent, Investment, deposits & other assets.

## Group is exposed to following risk from the use of its financial instrument:

- Credit Risk
- Liquidity Risk
- Market Risk
- Foreign Currency Risk
- Interest Rate Risk

The Group's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Group's financial risk management is set by the Managing Board.

**(a) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

"Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 180 days credit term (Payment Terms). Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Group has no concentration of credit risk at the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date."

**Other Financial Instruments and Cash & Cash Equivalent**

The Group maintain its cash & cash equivalent in current account to meet the day to day requirements, in fixed deposits for bank margin & to meet regulatory requirements for repayment of deposits. Other financial instruments are loan given to employee, Investment and Deposit. The Company's maximum exposure to credit risk for the component of the Balance Sheet as of 31<sup>st</sup> March 2023 & 31<sup>st</sup> March 2022 is the carrying amount as disclosed in Note 11, 12, 13, 14, 15 & 16.

**Provision for Expected Credit or Loss**
**(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Group has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**(b) Financial assets for which loss allowance is measured using life time expected credit losses**

The Group provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**Ageing of trade receivables**

The Ageing of trade receivables is as below:

(₹ in Lakhs)

Ageing	0-180 days past due	181-365 days past due	1-2 years past due	2-5 years past due	Total
Gross Carrying amount as on 31.03.2023	21,708.84	262.30	4.44	534.10	22,509.69
Impairment loss recognised on above	496.06	262.30	4.44	534.10	1,296.90
Gross Carrying amount as on 31.03.2022	12,908.84	279.97	155.34	658.23	14,002.38
Impairment loss recognised on above	264.36	279.97	155.34	658.23	1,357.91

**(i) Liquidity Risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	On Demand	0 -1 years	1-5 years	More than 5 years	Total
<b>As at 31<sup>st</sup> March 2023</b>					
Term Loans*	-	3,029.67	10,646.22	605.65	14,281.54
Fixed Deposit Payable	-	1,422.14	1,106.00	-	2,528.14
Lease Liability	-	66.27	155.09	-	221.36
Trade Payables	-	8,858.47	-	-	8,858.47
Other Financial Liabilities#	20,337.97	4,904.05	-	-	25,242.02
<b>Total</b>	<b>20,337.97</b>	<b>18,280.60</b>	<b>11,907.31</b>	<b>605.65</b>	<b>51,131.53</b>
<b>As at 31<sup>st</sup> March 2022</b>					
Term Loans*	-	3,551.07	8,053.20	760.77	12,365.04
Fixed Deposit Payable	-	403.64	1,816.00	-	2,219.64
Lease Liability	-	56.26	197.95	-	254.21
Trade Payables	-	10,706.91	-	-	10,706.91
Other Financial Liabilities	11,375.70	4,547.22	-	-	15,922.92
<b>Total</b>	<b>11,375.70</b>	<b>19,265.10</b>	<b>10,067.15</b>	<b>760.77</b>	<b>41,468.72</b>

\*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings.

Overdraft or other on demand loan facility, if any available with the Group to be disclosed, to the extent undrawn.

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Floating rate borrowings</b>		
Term Loan	1,062.98	806.90
Cash Credit and Export Credit Packing Facility	2,090.24	11,050.78
<b>Total</b>	<b>3,153.22</b>	<b>11,857.68</b>

## (ii) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. All such transactions are carried out within the guidelines set by the Managing Board.

## (iii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Group uses forward contracts to mitigate its risk from foreign currency fluctuations.

Derivative instruments and unhedged foreign currency exposure



(a) Derivative outstanding as at the reporting date

(Foreign Currency in Lakhs)

Particulars	Currency	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Forward Contract to sell {Number of Contracts (Current Year 20 ; Previous Year 19)}	USD	128.70	130.70

(b) Particulars of unhedged foreign currency exposure as at the reporting date

The currency profile of financial assets and financial liabilities as at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 are as below:

**31<sup>st</sup> March, 2023**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	97.19	9.52	1.46	0.03	108.19
Cash & cash equivalents	-	-			-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	23.24	0.91	0.12	-	24.27

**31<sup>st</sup> March, 2022**

(Foreign Currency in Lakhs)

Particulars	USD	EURO	GBP	Others	Total
<b>Financial Assets</b>					
Trade & other receivables	67.83	2.10	2.05	-	71.99
Cash & cash equivalents	-	-			-
<b>Financial Liabilities</b>					
Trade payable & other financial liabilities	32.56	0.72	0.09	-	33.37

### Foreign Currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO, GBP and AUD rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	60.34	7.62	1.35	0.02
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(60.34)	(7.62)	(1.35)	(0.02)

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2022			
	USD	EURO	GBP	Others
<b>1% Appreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	26.39	1.15	1.94	-
<b>1% Depreciation in INR</b>				
Impact on Equity	-	-	-	-
Impact on Statement of Profit and Loss	(26.39)	(1.15)	(1.94)	-

The Group's investment consists of investments in publicly traded companies held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Group and are not hedged.

As at 31<sup>st</sup> March 2023 the Group does not have material exposure to listed or unlisted equity price risk.

**(iv) Interest Rate Risk**

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest.

The Group is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

**At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:**

(₹ in Lakhs)

Particulars	As at	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Loans	170.31	123.24
Bank Deposit	554.45	84.96
	<b>724.76</b>	<b>208.20</b>
<b>Variable Rate Instruments</b>		
Security Deposit	344.63	347.19
<b>Total</b>	<b>1,069.39</b>	<b>555.39</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Security Deposit from Vendor	347.90	200.06
Deposits from Shareholders	2,528.14	2,219.64
	<b>2,876.04</b>	<b>2,419.70</b>
<b>Variable Rate Instruments</b>		
Term Loans	14,281.54	12,365.04
Loan repayable on demand	20,309.76	11,349.22
	<b>34,591.30</b>	<b>23,714.26</b>
<b>Total</b>	<b>37,467.34</b>	<b>26,133.96</b>

As at 31<sup>st</sup> March 2023, approximately 7.68 % of the Group's Borrowings are at fixed rate of interest (Previous Year : 9.26%)

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)

Particulars	Effect of Profit or Loss	
	50 BP increase	50 BP decrease
<b>31<sup>st</sup> March 2023</b>		
Term Loans	71.41	(71.41)
Loan repayable on demand	101.55	(101.55)
	<b>172.96</b>	<b>(172.96)</b>
<b>31<sup>st</sup> March 2022</b>		
Term Loans	61.83	(61.83)
Loan repayable on demand	56.75	(56.75)
	<b>118.58</b>	<b>(118.58)</b>

**Note No. 52. Disclosure as per Ind AS 113 'Fair Value Measurement'**
**Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:-

- recognised and measured at fair value and;
- measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard.

Fair value are categorised into different level in a fair value hierarchy which are as follows:

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices.

**Level 2 :** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

**Level 3 :** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.

**Valuation Techniques used to determine fair values:**
**A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

- For financial instruments other than (ii) and (iii)- the use of quoted market prices.
- For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.
- For financial assets (employee loans) : appropriate market rate of the entity as of each balance sheet date used.

**B) Financial Instruments By Category**

Set out below categorised table of financial instruments measured at FVTPL and Amortised Cost, no such instrument is measured at Fair value through Other Comprehensive Income (FVTOCI) :-

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023			31 <sup>st</sup> March, 2022		
	At Cost	FVTPL	Amortized cost	At Cost	FVTPL	Amortized cost
<b>Financial Assets:</b>						
Investments in						
Equity instrument	-	6.72	-	-	3.91	-
Joint Venture	607.76	-	-	466.00	-	-
Others	-	-	-	-	-	-
Trade Receivables	-	-	21,212.79	-	-	12,644.47
Cash and Cash Equivalents	-	-	1,460.72	-	-	1,874.91
Bank balances other than cash and cash equivalent	-	-	2,683.86	-	-	1,141.21
Security deposit	-	-	344.63	-	-	347.19
Forward Contract Assets	-	8.28	-	-	43.86	-
Other Financial Assets	-	-	1,152.03	-	-	1,869.64
<b>Total Financial Assets</b>	<b>607.76</b>	<b>15.00</b>	<b>26,854.03</b>	<b>466.00</b>	<b>47.77</b>	<b>17,877.42</b>
<b>Financial Liability:</b>						
Borrowings	-	-	37,119.45	-	-	25,933.90
Lease Liabilities	-	-	221.36	-	-	254.21
Trade Payables	-	-	8,858.47	-	-	10,706.91
Other Financial Liabilities	-	-	4,932.27	-	-	4,573.70
Forward Contract Liability	-	-	-	-	-	-
<b>Total Financial Liability</b>	<b>-</b>	<b>-</b>	<b>51,131.54</b>	<b>-</b>	<b>-</b>	<b>41,468.72</b>

## C) Fair Value Hierarchy

(₹ in Lakhs)

Financial Instrument measured at Fair Value - recurring fair value measurement	Level	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Investments in Equity Instruments	Level 1	6.72	3.91
Others	Level 1	-	-
<b>Total</b>		<b>6.72</b>	<b>3.91</b>
Forward Contract Receivables	Level 3	8.28	43.86
<b>Total</b>		<b>8.28</b>	<b>43.86</b>

## D) Fair value disclosures of financial assets and liabilities

Set out below is a comparison, by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair value:

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at Fair value through Statement of Profit and Loss</b>				
Investments in Equity Instruments	6.72	6.72	3.91	3.91
Investments in Equity Instruments (Wholly Owned Subsidiary)	-	-	-	-
Investment in Joint Venture	607.76	607.76	466.00	466.00
Forward Contract Receivables	8.28	8.28	43.86	43.86
<b>Measured through amortized cost</b>				
Trade Receivables	21,212.79	21,212.79	12,644.47	12,644.47
Cash and Cash Equivalents	1,460.72	1,460.72	1,874.91	1,874.91
Bank balances other than cash and cash equivalent	2,683.86	2,683.86	1,141.21	1,141.21
Loan to Employees	170.31	170.31	123.24	123.24
Loan to Wholly Owned Subsidiary	-	-	-	-
Security deposit	344.63	344.63	347.19	347.19
Other Financial Assets	981.72	981.72	1,746.40	1,746.40
<b>Financial Liabilities</b>				
<b>Measured through amortized cost</b>				
Borrowings	37,119.45	37,119.45	25,933.90	25,933.90
Trade Payables	8,858.47	8,858.47	14,767.47	14,767.47
Other Financial Liabilities	5,153.62	5,153.62	767.34	767.34

## Note No. 53. Disclosure as required by Schedule III of the Companies Act, 2013

Particulars	Amount ₹ In Lakhs	%
Net Assets i.e. total assets minus total liabilities	1,515.86	40.64%
Share of Profit/(Loss)	447.31	40.64%
Share of Other Comprehensive Income	-	40.64%
<b>Share of Total Comprehensive Income</b>	<b>447.31</b>	<b>40.64%</b>

**Note No. 54.** Some of the balances shown under Trade Receivables, Advances and Trade Payables are subject to confirmation. The Group has been sending letter for confirmation to parties and does not expect any material dispute w.r.t. the recoverability/payment of the same.

**Note No. 55.**

**Additional Regulatory Information in Schedule III:**

- a) The Group does not have any investment property, hence the question of disclosure and valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.
- c) The Group has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- d) Benami property : There are no proceedings being initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- e) The Parent ("Banswara Syntex Limited") had Borrowed secured Loan from Banks against current assets
  - i) Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are in agreement with the books of accounts.
  - ii) As returns/ statements of current assets are in agreement with the books of account, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed does not arise.
- (g) Wilful Defaulter : the Group has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (h) The Group does not have any transactions or relationship with Struck off Companies
- (i) Registration of charges or satisfaction with Registrar of Companies:- There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (j) The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (l) There are no Scheme of Arrangements as on March 31, 2023.
- (m) Utilisation of borrowings availed from banks :-The borrowings obtained by the Group from banks have been applied for the purposes for which such loans were taken and funds raised on short term basis have not been utilised for long term purposes.
- (n) Additional information to be disclosed by way of Notes to Statement of Profit and Loss
  - i) The Group does not have any undisclosed income as on March 31, 2023.
  - ii) The Group does not have any details of Crypto Currency or Virtual Currency as on March 31, 2023.
- (o) Utilisation of borrowed funds and share premium  
 The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company(Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - i. 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
  - ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**Note No. 56. Events occurring after the Balance Sheet Date :- Proposed Dividend**

The Board of Directors of the Parent ("Banswara Syntex Limited") have proposed equity dividend of Rs. 3/- per equity share in respect of the year ended 31 March 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of Rs 1,026.96 lakhs."

**Note No. 57. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

- A. Loans and advances in the nature of loans  
To Joint Venture : Nil
- B. Investment by the loanee : Nil

**Note No. 58.** Certain Prior year amounts have been reclassified for consistency with the current period presentation. These reclassification have no effect on the reported results of operations.

### Significant Accounting Policies

1

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

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

**For K G SOMANI & CO LLP**

Chartered Accountants  
FRN - 06591N/N500377

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

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

Sd/-  
**Vinod Kumar Somani**  
Partner  
M.No. 085277

Sd/-  
**Shaleen Toshniwal**  
DIN : 00246432  
Jt. Managing Director

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

Place : New Delhi  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**Kavita Gandhi**  
Chief Financial Officer  
Place : Mumbai  
Dated : 15<sup>th</sup> May 2023

Sd/-  
**H. P. Kharwal**  
Company Secretary  
ACS28614











**NATIONAL AUTOMATED CLEARING HOUSE FORM (NACH)**  
(Not required to be filed by shareholders holding shares in dematerialized form)

Date :

To,  
**M/s Computech Sharecap Limited**  
**Unit: Banswara Syntex Limited**  
**147 Mahatma Gandhi Road,3rd Floor**  
**Opp. Jehangir Art Gallery, Fort, Mumbai 400 001**  
**Fort, Mumbai 400 001**

Dear Sir/Madam:

I/We do hereby authorise Banswara Syntex Limited to Credit my dividend amount directly to my Bank Account as per details furnished below by National Automated Clearing House (NACH)

**My bank details are as follows:-**

<b>Folio No.</b>	
<b>Name</b>	
<b>Bank Name</b>	
<b>Bank Branch Address</b>	
<b>Account Type</b>	
<b>Account Number (as appearing in your cheque book)</b>	
<b>9 Digit Bank MICR Code Number</b>	
<b>11 Digit IFSC Code</b>	
<b>Telephone Number (with STD Code of shareholder)</b>	
<b>E-mail ID of Shareholders</b>	

I/We shall not hold the Company responsible if the NACH mandate cannot be implemented for reasons beyond the control of the Company.

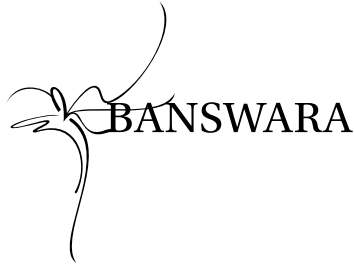
.....  
Signature of shareholder(s) (as per specimen lodged with the Company)

**COMPANY'S RECOMMENDATIONS TO THE SHAREHOLDERS/INVESTORS**

**Register NACH Mandate and furnish correct bank account particulars to Company's R&TA/ Depository Participant (DP) Investors holding shares in physical form should provide the NACH Mandate form to the Company's R&TA of the above mentioned address and investors holding shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company's R&TA in case of shares held in physical form and to the DP in case of shares held in demat form.**

\* Please attach a photo copy of a Cheque or Blank Cancelled cheque issued by your bank for verifying the accuracy of the Code number.

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## BANSWARA SYNTEX LIMITED

**Registered Office:** Industrial Area, Dahod Road, Post Box No. 21, Banswara - 327 001 (Rajasthan)

**CIN:24302RJ1976PLC001684**

### ATTENDANCE SLIP 47<sup>TH</sup> ANNUAL GENERAL MEETING

Folio No./ Clint Id and DP ID No.	
Number of shares held	

I confirmed that I am a registered Shareholder/Proxy for the registered Shareholder of the Company. I hereby record my presence at the 47<sup>th</sup> ANNUAL GENERAL MEETING held on Saturday, the 5<sup>th</sup> August, 2023 at 5.00 P.M. at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan.

Name of the Member (In BLOCK Letters)		Signature
Name of the Proxy Holder (In BLOCK Letters)		Signature

**NOTE:**

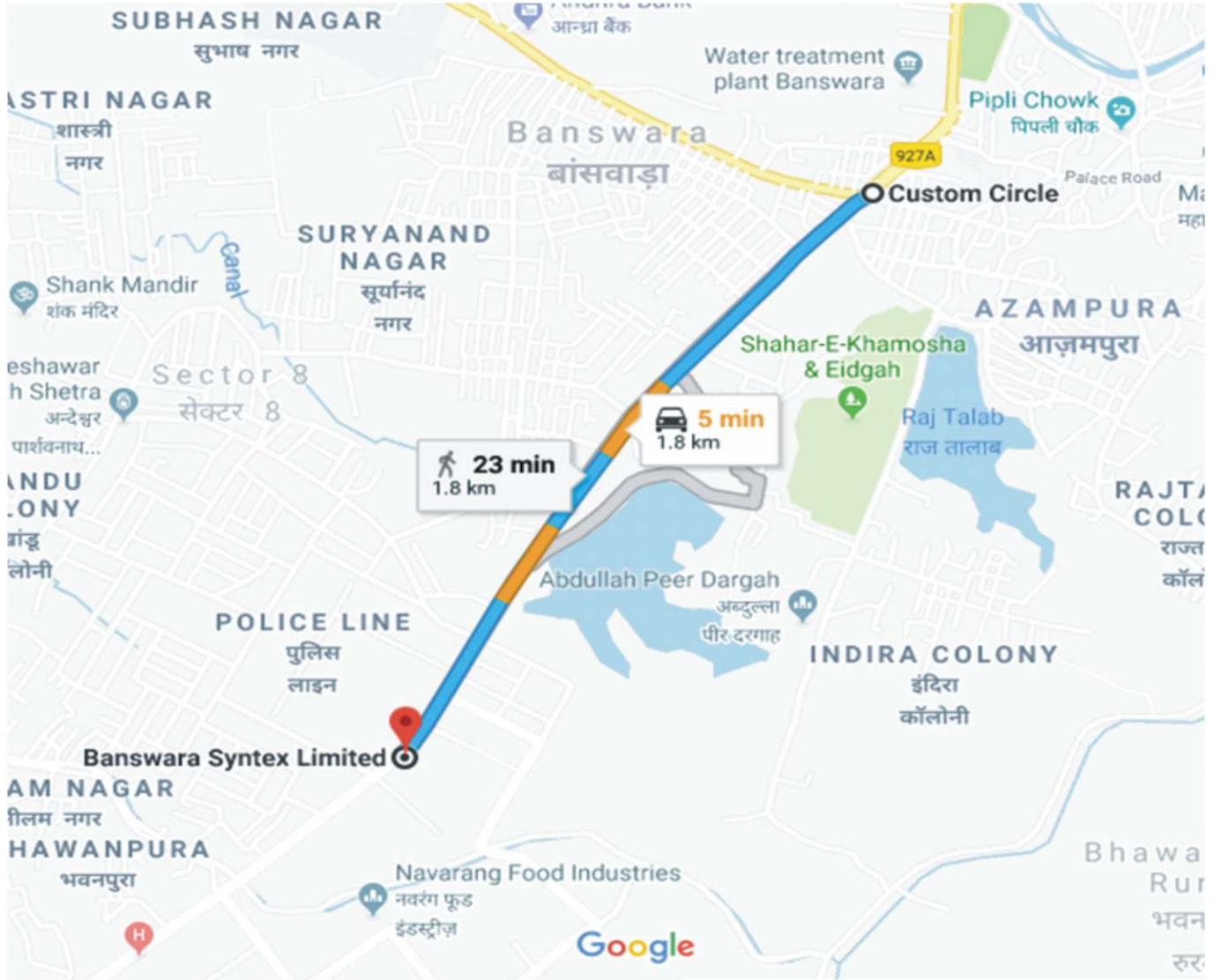
- Only Member/Proxyholder can attend the Meeting.
- Please fill in the attendance slip and hand it over at the entrance.
- Member or Proxy holder should bring his/her copy of the Annual Report for reference at the 47<sup>th</sup> Annual General Meeting.
- The e-voting will commence from 9.00 A.M. on Tuesday, the 1<sup>st</sup> August, 2023 and ends at 5.00 PM on Friday, the 4<sup>th</sup> August, 2023. Thereafter, e-voting Module shall be disabled.

## ROUTE MAP TO THE 47<sup>th</sup> AGM VENUE

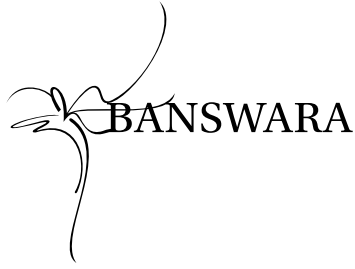
**Venue :** Banswara Syntex Limited

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

**Date & Time:** Saturday, the 5<sup>th</sup> August, 2023 at 5.00 P.M.



To view the route map in your smartphone/tabs, please scan this QR Code with your camera-enabled smartphone /tabs. If you do not have QR Code scanner, you may download the same from your appstore.



## BANSWARA SYNTEX LIMITED

**Registered Office:** Industrial Area, Dahod Road, Post Box No. 21, Banswara - 327 001 (Rajasthan)

**CIN:24302RJ1976PLC001684**

### FORM NO. MGT-11

#### PROXY FORM

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)*

CIN	L24302RJ1976PLC001684
Name of the Company	Banswara Syntex Limited
Registered office	Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan
Name of the Member(s)	
Registered address:	
E-mail Id:	
Folio No/ Clint Id and DP ID:	

*I/ We being the Member (s) of ....., holding .....shares of Banswara Syntex Limited hereby appoint*

1.	Name:	Failing him/her
	Address:	
	E-mail Id:	
	Signature:	
2.	Name:	Failing him/her
	Address:	
	E-mail Id:	
	Signature:	
3.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

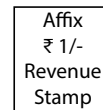
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 47<sup>th</sup> ANNUAL GENERAL MEETING of the Members of the Company, to be held on Saturday, 5<sup>th</sup> day of August, 2023 at 5.00 P.M. at Industrial Area, Dahod Road, Post Box No. 21, Banswara – 327001, Rajasthan, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution No.	OPTIONAL*	
		FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
1	To receive, consider and adopt: a) the Audited Standalone Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2023 together with the reports of the Board of Directors and Auditors thereon and b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2023 and Auditors' report thereon.		
2	To declare final dividend on Equity Shares for the financial year ended 31 <sup>st</sup> March, 2023		
3	To re-appoint a Director in place of Shri Shaleen Toshniwal, Whole Time Director (DIN: 00246432), who retires by rotation and, being eligible, offers himself for re-appointment		
<b>SPECIAL BUSINESS</b>			
4.	To ratify the Remuneration to the Cost Auditors for the Financial Year 2023-24.		
5.	To re-appoint Shri Rakesh Mehra (DIN: 00467321) as Chairman and Whole-Time Director of the Company		
6.	To re-appoint Shri Ravindra Kumar Toshniwal (DIN: 00106789) as Managing Director of the Company.		
7.	To re-appoint Shri Shaleen Toshniwal (DIN: 00246432) as Joint Managing Director of the Company.		

\*It is optional to put a (✓) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Signed this .....day of.....2023

Signature of Shareholder:



Signature of Proxy holder(s):

**NOTE:**

- This Form of proxy in order to be effective, should be duly filed, stamped, signed and deposited at the Registered Office of the Company, before the commencement of the Meeting.
- A proxy need not be a Member of the Company and shall prove his identity at the time of attending Meeting.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
- Proxy shall not have right to speak at the Meeting and shall not be entitled to vote except on a Poll.
- For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the **47<sup>TH</sup> ANNUAL GENERAL MEETING.**





[www.banswarasyntex.com](http://www.banswarasyntex.com)



Banswara Syntex Ltd



banswara\_syntex

# *Innovating & Designing Textiles for the Future.*

REGISTERED OFFICE

**Banswara Syntex Limited**

Industrial Area, Dahod Road, Banswara-327 001. Rajashtan, INDIA. CIN:L24302RJ1976PLC001684

Email: [secretarial@banswarasyntex.com](mailto:secretarial@banswarasyntex.com), Phone No. +91 (02962) 257680, 257694, 240692

