

Date: 05.09.2024

BSE Limited  
P. J. Towers, Dalal Street  
Mumbai-400 001.

Dear Sir / Madam,

Sub: 34<sup>th</sup> Annual Report.

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Unit: Vijay Textiles Limited (Scrip Code: 530151).

With reference to the subject cited, please find the enclosed 34<sup>th</sup> Annual Report of the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as sent to the Shareholders for the ensuing 34<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Monday, the 30<sup>th</sup> day of September, 2024 at 12:30 P.M. through Video Conference.

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,  
For VIJAY TEXTILES LIMITED



RAKESH MALHOTRA  
WHOLE-TIME DIRECTOR & CFO  
(DIN: 05242639)

RAKESH  
MALHOTRA  
RA

Digitally signed  
by RAKESH  
MALHOTRA  
Date: 2024.09.05  
16:30:35 +05'30'





**34<sup>th</sup>** Annual Report  
**2023-24**

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**Furnishings**

*Simply Incredible*





**Vijay**  
**TEXTILES LIMITED**

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## CORPORATE INFORMATION

## BOARD OF DIRECTORS

Shri. Vijay Kumar Gupta	-	Chairman and Managing Director
Shri. Susheel Kumar Gupta	-	Whole-Time Director
Shri. Rakesh Malhotra	-	Whole-Time Director and Chief Financial Officer
Smt. CS. Payal Bafna	-	Independent Director
Shri. Ravi Prasad Muthyam	-	Independent Director
Shri. Altab Uddin Kazi	-	Independent Director

COMPANY SECRETARY  
& COMPLIANCE OFFICER

Shri. Yogesh Dayama

## REGISTERED OFFICE

Surya Towers, Ground Floor  
104, Sardar Patel Road, Secunderabad – 500 003  
Tele No. 040-27844086 / 27848479  
email: info@vijaytextiles.in

## STATUTORY AUDITORS

M/s. S V D & Associates, Chartered Accountants  
#402, Mogul Courts Building, Basheerbagh Rd,  
Fateh Maidan, Abids, Hyderabad - 500001, Telangana.

## SECRETARIAL AUDITORS

M/s. Nishant Darak & Associates  
Practicing Company Secretaries  
7-1-543, Ameerpet, Hyderabad-500016, Telangana.

## INTERNAL AUDITORS

M/s. RKR & Associates, Chartered Accountants  
#3-6-823, Street No:15, Beside Taj Mahal Hotel,  
Himayath Nagar, Narayanguda,  
Hyderabad -500029, Telangana.

## BANKERS

## State Bank of India

SAM Branch, Prabhat Towers Chappel Road,  
Hyderabad-500001.

## Axis Bank Limited

Corporate Banking Branch  
Begumpet, Hyderabad-500 016.

## AUDIT COMMITTEE

Shri. Ravi Prasad Muthyam	-	Chairman
Smt. Payal Bafna	-	Member
Shri. Altab Uddin Kazi	-	Member

## NOMINATION &amp; REMUNERATION COMMITTEE

Shri. Ravi Prasad Muthyam	-	Chairman
Smt. Payal Bafna	-	Member
Shri. Altab Uddin Kazi	-	Member

## STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri. Ravi Prasad Muthyam	-	Chairman
Smt. Payal Bafna	-	Member
Shri. Altab Uddin Kazi	-	Member

## INDEPENDENT DIRECTORS

Smt. CS. Payal Bafna  
Shri. Ravi Prasad Muthyam  
Shri. Altab Uddin Kazi

## REGISTRAR &amp; SHARE TRANSFER AGENTS

Aarhi Consultants Private Limited  
1-2-285, Domalguda,  
Hyderabad-500029  
Tel No: 040-27638111, 27634445

## LISTED AT : BSE Limited

## DEMAT ISIN NUMBER IN NSDL &amp; CDSL

INE256G01033

WEBSITE : [www.vijaytextiles.in](http://www.vijaytextiles.in)INVESTOR E-MAIL ID : [info@vijaytextiles.in](mailto:info@vijaytextiles.in)

## CORPORATE IDENTITY NUMBER

LI8100TGI990PLC010973

## FACTORY:

Survey Nos: 139 to 141 & 143, Rajapur  
Mahaboobnagar Dist., Telangana 509202.

## RETAIL SHOW ROOMS:

- Secunderabad:** Surya Towers, Ground Floor,  
104, Sardar Patel Road, Secunderabad – 00003.
- Ameerpet:** D. No. 6-3-852/3, Near Lal Bungalow,  
Ameerpet, Hyderabad – 500016.
- Kukatpally:** D. No. 2-22-306/A/2, Plot No: 6 & 7,  
Survey No: 178 & 179, Bhagyanagar Colony,  
Phase-II, Kukatpally, Hyderabad – 500072.
- Dilsukhnagar:** D. No. 23-27/A,  
Survey No.127 & 130/I,  
Kothapet, Dilsukhnagar, Hyderabad – 500060.

## NOTICE OF THE 33<sup>rd</sup> ANNUAL GENERAL MEETING



## TEXTILES LIMITED

### NOTICE

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the members of Vijay Textiles Limited will be held on Monday, the 30<sup>th</sup> September, 2024 at 12:30 P.M. through Video Conference to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Assets and Liabilities as at 31<sup>st</sup> March 2024, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To appoint a Director in place of Shri. Susheel Kumar Gupta (DIN: 00362714) who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

#### 3. RATIFICATION OF PAYMENT OF REMUNERATION OF M/S. NAGESWARA RAO & CO., COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2024-2025:

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions of

the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactments thereof, for the time being in force), and on recommendations of the Audit Committee and as approved by the Board of Directors, consent of the Members be and is here by accorded for payment of remuneration to M/s Nageswara Rao & Co, (Registration No.000332) Cost Accountants to conduct the audit of the Cost Records of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 on a remuneration of Rs. 35,000/- (Rupees Thirty-Five Thousand Only) plus out of pocket expenses and applicable taxes.

**FURTHER RESOLVED THAT** any of the Directors of the Company be and is hereby severally authorized to file all the necessary forms with the office of Registrar of Companies and to do all other acts, deeds, things as may be necessary to give effect to the above Resolution.”

For and on behalf of the Board  
**For Vijay Textiles Limited**

Date: 31.08.2024  
Place: Secunderabad

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN: 01050958)

**NOTES:**

1. In view of the continuing Covid-19 pandemic and consequential restrictions imposed on the movements of people, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 14/2020 dated 08<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 20/2020 dated 05<sup>th</sup> May, 2020, 02/2021 dated 13<sup>th</sup> January, 2021, 21/2021 dated 14<sup>th</sup> December, 2021, 2/2022 dated 05<sup>th</sup> May, 2022 and 10/22 dated 28<sup>th</sup> December, 2022 and 09/2023 dated 25<sup>th</sup> September, 2023 read with SEBI Circular No. SEBI/ HO/CFD/CMD1/ CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated 05<sup>th</sup> January, 2023 and SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated 07<sup>th</sup> October, 2023, Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting ("AGM") of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA/ SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM).
2. In compliance with applicable provisions of the Act read with the MCA Circulars and the Listing Regulations, the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards- 1 and 2 dated 15<sup>th</sup> April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
3. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(3) of the SEBI (LODR), Regulations, 2015, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
4. The Deemed Venue of the 34<sup>th</sup> AGM of the Company shall be its Registered Office.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
8. The Company has appointed M/s. Nishant Darak & Associates, Practicing Company Secretaries, as scrutinizer of the Company to scrutinize the voting process.
9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with 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 as well as the e-voting system on the date of the AGM will be provided by CDSL.

10. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with Annual report has been uploaded on the website of the Company at [www.vijaytextiles.in](http://www.vijaytextiles.in). The Notice can also be accessed from the website of the BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice along with Annual report is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., [www.evotingindia.com](http://www.evotingindia.com).
11. Recent circular requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/ Registrar and Share Transfer Agents (Aarthi Consultants Private Limited)
12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to Aarthi Consultants Private Limited., Share Transfer Agents of the Company for their doing the needful.
13. Since the AGM will be held through VC/OAVM Facility, Proxy form, Attendance Slip and the Route Map is not annexed in this Notice.
14. **Information and Instructions for e-voting and joining the e-AGM of Company are as follows:**
- I. The remote e-voting period begins from Friday, 27<sup>th</sup> September 2024 at 09.00 A.M and ends on Sunday, 29<sup>th</sup> September 2024 at 05.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 23<sup>rd</sup> September 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
  - III. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' Resolutions. However, it has been observed that the participation by the public non institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https:// web.cdslindia.com/ myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com /myeasi/ Registration/Easi Registration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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.</li> </ol>
Individual Shareholders holding securities in Demat mode with NSDL	<ol style="list-style-type: none"> <li>1) 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.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e- Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https:// eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click a <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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 or joining virtual meeting &amp; voting during the meeting.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders (holding securities in Demat mode) log in 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 Depositories after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- IV. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e- Voting facility.

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

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 022-23058738 and 22-23058542- 43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- V. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DPID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.

6) If you are a first-time user follow the steps given below:

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

- VI.** After entering these details appropriately, click on “SUBMIT” tab.
- VII.** Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 for the relevant < VIJAY TEXTILES LIMITED> on which you choose 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.** Facility for Non – Individual Shareholders and Custodians –Remote Voting.
- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” 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 on.

- The list of accounts linked in the login should be mailed to helpdesk. Voting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [info@vijaytextiles.in](mailto:info@vijaytextiles.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@vijaytextiles.in](mailto:info@vijaytextiles.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 5 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@vijaytextiles.in](mailto:info@vijaytextiles.in). These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. 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/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. 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.

4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e- Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.
  5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal 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).
- OTHER INSTRUCTIONS:**
12. The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 23.09.2024.
  13. The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make not later than three 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 person authorized by him.
  14. Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
  15. If a Member casts votes by both modes, then voting done through e-voting shall prevail.
  16. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.vijaytextiles.in](http://www.vijaytextiles.in) and on the website of CDSL and will be communicated to the BSE Limited.
  17. In terms of Companies Act, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF).
  18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
  19. Relevant documents referred to in the accompanying Notice, as well as Annual Report are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 5.00 P.M. up to the date of Annual General Meeting.

SEBI has notified vide Notification No. SEBI/LAD-NRO/ GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.

For and behalf of the Board  
**Vijay Textiles Limited**

Sd/-

**Vijay Kumar Gupta**

Chairman & Managing Director  
(DIN: 01050958)

Date: 31.08.2024  
Place: Secunderabad

**EXPLANATORY STATEMENT**  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**ITEM NO 3:****RATIFICATION OF PAYMENT OF REMUNERATION TO THE COST AUDITOR FOR THE FINANCIAL YEAR 2024-2025:**

The Board of Directors in its meeting held on 31.08.2024, on the recommendation of the Audit Committee, has approved the appointment of M/s. Nageswara Rao & Co (Registration No.000332), Cost Accountants as Cost Auditors of the Company for the Financial Year ending 31<sup>st</sup> March, 2025 to conduct the audit of cost records and fixed their remuneration at Rs. 35,000/- (Rupees thirty-five thousand only) plus out of pocket expenses and applicable taxes etc.

As per the provisions of Section 148 of the Act read with the Companies Act, 2013 and as per the Rule 14 of Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be subsequently approved by the shareholders of the Company.

Accordingly, the Board of Directors recommends the passing of the above Resolution as an Ordinary Resolution set out in the Item No. 3 of the notice for ratification of payment of remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March, 2025.

None of the Directors/ Key Managerial Personnel and their relatives of the Company's, in any way, concerned or interested, financially or otherwise, in the Resolution.

**ITEM No: 2** Annexure A – for the Item No. 2:

As required under Regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under: -

<b>Name of the Director</b>	<b>Shri Susheel Kumar Gupta</b>
<b>Date of Birth</b>	28.01.1975
<b>Brief Resume</b>	Joined with his father in textile business and has now got a core experience of around 33 years in the industry. He has a strong business acumen and is the mainstay of the Company.
<b>Nature of Expertise</b>	Manufacturing & Marketing, Commercial, Regulatory, Research & Development and General Management.
<b>Qualifications</b>	Degree in Commerce
<b>Names of the Listed entities in which the person is holding Directorships or Board Committee Memberships along with listed entities from which the person has resigned in the past three years</b>	--
<b>Inter se relationship among Directors</b>	Son of Shri. Vijay Kumar Gupta Chairman and Managing Director of the Company.
<b>Number of shares held by them</b>	78,63,016 Equity Shares of the Company.

For and behalf of the Board  
**Vijay Textiles Limited**

Date: 31.08.2024  
Place: Secunderabad

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN: 01050958)

## BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the 34<sup>th</sup> Boards' Report of the Company together with the Audited Statements of Accounts for the Financial Year ended 31<sup>st</sup> March, 2024.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31<sup>st</sup> March, 2024 has been as under:

Particular	Amount Rs. In Lakhs	
	2023-24	2022-23
Revenue from operations	1342.07	2573.02
Other income	56.89	53.51
Profit/loss before Depreciation, Finance Costs,	5.66	370.60
Exceptional items and Tax Expense	-	-
Less: Depreciation/ Amortization/ Impairment	482.83	502.54
Less: Finance Costs	867.39	774.05
Profit /loss before Exceptional items and Tax Expense	(1344.56)	(905.99)
Add/(less): Exceptional items	-	-
Profit /loss before Tax Expense	(1344.56)	(905.99)
Less: Tax Expense (Current & Deferred)	1007.68	253.47
Profit /loss for the year (1)	(2352.24)	(652.52)
Other Comprehensive Income(2)	22.84	10.17
Total Comprehensive Income (1+2)	(2329.40)	(642.35)
Less: Transfer to Reserves	-	-
Less: Dividend paid on Equity Shares	-	-

### 2. REVIEW OF OPERATIONS:

During the Financial Year under review, revenue from operations and other income was reported at Rs. 1398.96 Lakhs and incurred loss of Rs. 2352.24 Lakhs as compared to revenue from operations and other income of Rs. 2626.53 Lakhs and incurred loss of Rs. 652.52 Lakhs in the previous Financial Year.

### 3. DIVIDEND

Keeping the Company's expansion and growth plans in mind, your Director's have decided not to recommend dividend for the Financial Year.

### 4. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 and forms part of this Report.

### 5. PERFORMANCE AND FUTURE OUTLOOK

Your Company has reported loss during the year under review. As has been the case during the last two financial years, your Company has continued its reliance on its Retail segment, which has shown significant recovery post pandemic

and its performance has gradually improved to near pre-covid levels. Your company will continue to lay more emphasis on growth of its retail segment which looks quite promising given the current market scenario and expects to boost its revenue from this segment significantly during the current financial year.

**6. RESERVES:**

The Closing balance of reserves, including retained earnings/loss (other equity) of the Company as at March 31<sup>st</sup> 2024 is Rs. 2685.37 Lakhs.

**7. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the period under review and the date of Board's Report there was no change in the nature of Business.

**8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting financial position of the Company between 31<sup>st</sup> March, 2024 and the date of Board's Report.

**9. REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements for the year under review.

**10. AUTHORISED AND PAID-UP CAPITAL OF THE COMPANY:**

The Authorised Share Capital of the Company is Rs. 73,30,00,000/- bifurcated as mentioned below:

- a) Equity Shares Capital stands at Rs. 20,30,00,000/- divided into 2,03,00,000 Equity Shares of Rs.10/- each.
- b) Preference Share Capital stands at Rs. 53,00,00,000/- divided into 53,00,000 10% Non-Convertible Cumulative Redeemable Preference Shares of Rs.100/- each.

The Paid-up Share Capital of the Company stands at Rs. 18,30,50,000/- divided into 1,83,05,000 Equity Shares of Rs.10/- each.

**11. UNPAID / UNCLAIMED DIVIDEND:**

In terms of the provisions of the Companies Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven years from the declaration to the credit of the Investor education and Protection Fund established by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

The details of Dividend of earlier years remain unclaimed by the shareholders as on 31.03.2024 are as given below:

Financial Year	Date of Declaration of Dividend	Last Date of Claiming Dividend	Unclaimed amount as on 31.03.2024	Due date for transfer to Investor Education and Protection Fund (IEPF)
2017-2018	28.09.2018	28.10.2018	1,49,212	03.11.2025

**DETAILS OF THE NODAL OFFICER**

The Company has designated Shri. Yogesh Dayama, Company Secretary and Compliance Officer of the Company's Nodal Officer for the purpose of IEPF.

**12. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As on date of this report, the Company has Six Directors, out of which three are Independent Directors including one women Director and three Executive Directors.

**a) APPOINTMENT / RE-APPOINTMENT / RESIGNATION / RETIREMENT OF DIRECTORS OF THE COMPANY:**

- Shri. Susheel Kumar Gupta (DIN: 00362714), retires by rotation and being eligible, offers himself for re-appointment.
- Smt. Neha Kankariya has resigned as Company Secretary and Compliance Officer of the Company w.e.f. 12.04.2023.
- Smt. Alka Zanwar (DIN: 07577453) and Shri. Vikram Penmetsa (DIN: 07577396) has relieved as Independent Directors of the Company upon expiry of their tenure w.e.f. 28.07.2023
- Smt. Payal Bafna (DIN: 09075302) and Shri. Ravi Prasad Muthyam (DIN: 06603818) were appointed as Independent Directors of the Company for a period of five (5) years w.e.f. 22.07.2023.
- Shri. Yogesh Dayama was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 22.07.2023.
- Shri. Rakesh Malhotra (DIN: 05242639) was Re-appointed as Whole-Time Director of the Company for a period of three (3) years w.e.f. 27.10.2023 to 26.10.2026.
- Shri. Pankaj Kumar Trivedi (DIN: 08397137) was relieved as Independent Director of the Company upon expiry of his tenure w.e.f. 25.03.2024.
- Shri. Altab Uddin Kazi (DIN: 10435916) was appointed as Additional (Independent) Director of the Company and was regularised in the 01/2024-25 Extra-Ordinary General Meeting for a period of five (5) years w.e.f. 27.03.2024.
- Shri. Susheel Kumar Gupta (DIN: 00362714) was Re-appointed as Whole-Time Director of the Company for a period of three (3) years w.e.f. 01.04.2024 to 31.03.2027.

**b) KEY MANAGERIAL PERSONNEL OF THE COMPANY:**

Key Managerial Personnel for the Financial Year 2023-2024:

- Shri. Vijay Kumar Gupta, Chairman and Managing Director of the Company.
- Shri. Susheel Kumar Gupta, Whole-Time Director of the Company.
- Shri. Rakesh Malhotra, Whole-Time Director & Chief Financial Officer of the Company.
- Ms. Yogesh Dayama as Company Secretary and Compliance Officer of the Company.

**13. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received declarations from Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013 and under regulation 16(1) (b) read with regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Independent Directors have also confirmed that they have complied Company's Code of Conduct. In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).



**14. BOARD MEETINGS:**

The Board of Directors duly met Six (6) times on 14.04.2023, 22.07.2023, 26.09.2023, 17.10.2023, 11.01.2024 and 28.03.2024 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**15. BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors was conducted on 28.03.2024 to evaluate the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company, taking into account the views of executive Directors and Non-Executive Directors.

The Board reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of all the Directors was done by the entire Board excluding the Director being evaluated.

**16. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure-IA** to this Report.

A statement showing the names of the top ten employees in terms of remuneration drawn and the name of every employee is annexed to this Annual report as **Annexure-IB**.

During the year NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**17. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under Section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Managing Directors, Whole Time Director & CFO to the median remuneration of the employees is nil as they have not drawn any salary during the financial year 2023-2024.

**18. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**19. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment.

The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

**20. NO FRAUDS REPORTED BY STATUTORY AUDITORS**

During the Financial Year 2023-2024, the Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

**21. CEO/ CFO CERTIFICATION:**

The Managing Director and Chief Financial Officer Certificate on the Financial Statements under Regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the Financial Year 2023-2024 is annexed in this Annual Report.

**22. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

During the Financial Year under review, the Company does not have any subsidiaries, joint ventures or associate Companies.

**23. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:**

During the year under review no Company has become or ceased to become its subsidiaries, joint ventures or associate Company.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The Company has not given loans, Guarantees or made any investments during the year under review which attracts the provisions of Section 186 of the Companies Act, 2013.

**25. RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2023-2024, there were no materially significant related party

transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business

The Form AOC-2 pursuant to Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure-2** to this report.

## 26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 are enclosed as **Annexure-3**.

## 25. COMMITTEES:

**AUDIT COMMITTEE:** The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**NOMINATION AND REMUNERATION COMMITTEE:** The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:** The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

## 26. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

Since the Company does not have the net worth of Rs. 500.00 Crore or more, or turnover of Rs. 1000.00 Crore or more, or a net profit of Rs. 5.00 Crore or more during the Financial Year, Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

## 27. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Vigil Mechanism Policy has been established by the Company for Directors and employees to report genuine concerns pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company [www.vijaytextiles.in](http://www.vijaytextiles.in).

## 28. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

**29. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:**

At the 31<sup>st</sup> Annual General Meeting held on 30.09.2021, the members of the Company approved the appointment of M/s. S V D & Associates, Chartered Accountants Statutory Auditors of the Company for the term of five years from the conclusion of 31<sup>st</sup> Annual General Meeting held for Financial Year 2020-2021 till the conclusion of the 36<sup>th</sup> Annual General Meeting to be held in the Financial Year 2025-2026.

The Auditors' Report for Financial Year 2023-2024 contains the following qualification, reservation or adverse remark:

Sl. No.	Auditors Comment	Management Reply
1.	<p>The company's trade receivables as at balance sheet date amounts to Rs. 152.28 crores (as on March 31, 2023 – Rs.156.88 crores) wherein the debtor's receivable overdue for period exceeding three years amounts to Rs. 150.11 crores ( as on March 31, 2023 Rs. 147.77 crores). We draw attention to Note 5A OF the financial results, Explanations of management regards to collections of overdue trade receivables and recognition of expected credit loss. We further noted that the collections of trade receivables were made only for the dues ageing less than one year and balance ageing more than one year are accumulating since 31<sup>st</sup> March, 2022.</p>	<p>Management has performed a detailed review and reached out to all its debtors with regards to the long outstanding balances. Considering the long association debtors have given their assurance that the amount owed to the company will be surely repaid. As a result management is of the opinion that there is no requirement of provision for expected credit loss towards the recovery from debtors. Further efforts are being made for expediting recovery from long overdue debtors. As a result the management is of the opinion there is no significant credit loss for the existing debtors out-standing and accordingly provisions are not made for the same.</p>
2.	<p>The company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") have become Non Performing asset. Post which regular business transactions were conducted through trust &amp; retention account ("TRA") managed by SBI on behalf of company for both SBI &amp; Axis. Validity of such operation was permitted up to 31st July 2022 after which all the banking transactions were frozen by the banks. Subsequent to the above event company has been issued demand notices by SBI and Axis under letter dated August 17, 2022 and September 09, 2022 respectively under section 13 (2) of Securitisation and Reconstruction of Financial Assets &amp; Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") giving company a sixty days' time period to deposit the amounts due to the banks amounting to Rs. 72.84 Crores &amp; Rs. 20.04 Crores (amounts specified are per the notices issued by respective banks after application of interest and penal charges up to the date of these notices).</p>	<p>Pursuant to the above, the company has submitted a proposal for compromise on November 10, 2022 for one time settlement of dues by making a payment of Rs.79.60 Crore (SBI: Rs.61.00 Crore &amp; Axis: Rs.18.60 Crore) as stipulated in the offer letter to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023. However, Company was unsuccessful to honour the compromise agreement as on March 31, 2023. Subsequently SBI &amp; Axis has revoked the compromise agreement as on April 29, 2023 and May 03, 2023. Company has submitted request for revival of the compromise agreement to banks but same is yet to be confirmed by the respective banks.</p> <p>As the TRA Account is under freeze, the company is managing its daily operations with the support of Promoter Directors.</p>

Sl. No.	Auditors Comment	Management Reply
3.	We draw attention to Note No.4 wherein the application filed by State Bank of India before Hon'ble National Company Law Tribunal [NCLT] Hyderabad bench under Section 7 of Insolvency and Bankruptcy Code, 2016 in respect of dues payable to State bank of India & Axis Bank Limited, was rejected by the Hon'ble tribunal on 08th May 2024 without costs since same petition cannot be filed with two different authorities simultaneously and other grounds.	--
4.	State Bank of India has sued for recovery before Debt Recovery Tribunal under SARFAESI Act, 2002, proceedings for which are in progress and next date of hearing is fixed for 21 <sup>st</sup> August 2024.	The company is taking appropriate steps through its legal counsel for necessary action.
5.	Company has received warrant of attachment of immovable property at Surya Towers, Secunderabad, vide RC no. 175/ 2023 dated 13 March 2024 under Rule 48 of the second schedule to the Income Tax Act, 1961 read with the Recovery of Debts & Bankruptcy Act, 1993 which is listed for hearing before the Debt Recovery Tribunal for 21 <sup>st</sup> August 2024.	The company is taking appropriate steps through its legal counsel for necessary action.
6.	Company has received notice dated 24 <sup>th</sup> April 2024 from the Advocate Commissioner appointed by the court of chief Judicial Magistrate has served warrant of commission issued u/s 24 of the SARFAESI Act, 2002 giving therein 15 days' notice & has taken possession of factory unit on 06 June 2024 in compliance of the said order of the court.	The company is taking appropriate steps through its legal counsel for necessary action.
7.	The Company has outstanding payables to vendors of Rs. 24.15 crores out of which a total of Rs. 22.03 Crores is overdue for more than 180 days in payments to vendors against which Input Tax Credit (ITC) has been claimed. These outstanding amounts are subject to reversal with an 18% interest charge due to non-compliance with ITC rules.	The company has taken note of this for necessary compliance.

Sl. No.	Auditors Comment	Management Reply
8.	The company has incurred a net loss for the year ended March 31, 2024 - Rs.23.29 crores (for the year ended March 31, 2023 -Rs. 6.42 crores). The company has outstanding amount due to vendors for more than three years as on March 31, 2023 amounting to Rs.5.53 crores (as on March 31, 2023 – Rs. 6.09 crore) and repayment of loans due to banks of principal amounting to Rs.72.5 crores, further the withdrawal of support from Banks and other indicators as listed above in the qualification paragraphs, indicate existence of material uncertainty on the company's ability to continue as a going concern.	The management is fully committed to pay off the dues to the vendors & banks and also striving to restore its operations to back to normal.

**30. SECRETARIAL AUDIT REPORT:**

In terms of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors has appointed M/s. Nishant Darak & Associates, Practicing Company Secretaries (CP No. 2246) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for Financial Year ended March 31, 2024.

The Report given by the Secretarial Auditor is annexed herewith as **Annexure- 4** and forms integral part of this report and contains the following qualification, reservation or adverse remark:

Sl. No.	Auditors Comment	Management Reply
1.	Company has submitted the un-audited financial results with a delay of 63 days for the Quarter ended June 30, 2023; 57 days for the Quarter and Half-Year ended September 30, 2023; 79 days for the Quarter ended December 31, 2023 and a delay of 61 days in Audited Financial Results for the Quarter and Year ended March 31, 2024 under Regulation 33 of SEBI LODR Regulations and subsequently the Exchange has imposed penalties.	Management is committed to take corrective steps to streamline its functioning to ensure & avoid such instances in future and penalties.
2.	Company has made a delay of one day in submission of Disclosures of related party transactions for the half year ended September 30, 2023 under Regulation 23(9) of SEBI LODR Regulations.	
3.	Company made a delay in making disclosure of material event under Regulation 30 of SEBI LODR Regulations to the BSE.	
4.	Due to the expiration of the term of office of Shri. Pankaj Kumar Trivedi as Independent Director, the resulting vacancy was filled by the Company by a delay of one day which resulted in imbalance in composition of committees. Accordingly, the exchange has levied a penalty for one day under Regulation 18 and 19 of SEBI LODR Regulations.	
5.	Company submitted the Reconciliation of Share capital Audit Report with a delay of 2 days for the Quarter ended June 30, 2023; 144 days for the Quarter ended December 31, 2023 and 53 days for the Quarter ended March 31, 2024 under regulation 76 of SEBI (DP) Regulations, 2018.	
6.	Company has not paid Annual Listing Fees for the Financial Year 2023-2024.	

**31. ANNUAL SECRETARIAL COMPLIANCE REPORT:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. In this regard, Secretarial Compliance Report for the Financial Year 2023-2024 was submitted to BSE Limited within 60 days of the end of the financial year.

**32. INTERNAL AUDITORS:**

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014, during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company on quarterly basis by M/s RKR & Associates, Chartered Accountants., the Internal Auditor of the Company.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board.

The Board has re-appointed M/s. RKR & Associates, Chartered Accountants, # 3-6-823, Street No: 15, Beside Taj Mahal Hotel, Himayath Nagar, Narayanguda, Hyderabad-50029 as Internal Auditors of the Company for the Financial Year 2024-2025.

**33. DETAILS RELATING TO DEPOSITS:**

The Company has not accepted any public deposits during the Financial Year ended March 31, 2024 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

**34. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:**

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2024, there has been no non-compliance with the requirements of the Act.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22<sup>nd</sup> January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits. The Company complied with this requirement within the prescribed timelines.

**35. SECRETARIAL STANDARDS:**

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

**36. ANNUAL RETURN:**

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company [www.vijaytextiles.in](http://www.vijaytextiles.in).

**37. DISCLOSURE ABOUT COST AUDIT:**

During the year under review, Section 148(1) of the Act is applicable to your Company and accordingly such accounts and records are made and maintained by the Company as specified. As per Section 148 of the Companies Act, 2013 read with Rules framed there under M/s Nageswara Rao & Co (Registration No. 000332) Cost Accountants were appointed as Cost Auditors of the Company for the Financial Year 2023-2024.

**38. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with BSE Limited in India is annexed herewith as **Annexure- 5** to this report.

**39. FAMILIARISATION PROGRAMME:**

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website [www.vijaytextiles.in](http://www.vijaytextiles.in).

**40. INSURANCE:**

The properties and assets of your Company are adequately insured.

**41. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance duly audited is appended as **Annexure -6** for information of the Members. A requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

The Certificate(s) issued by M/s Nishant Darak & Associates, Practising Company Secretaries, pertaining to compliance of 'Corporate Governance' conditions as applicable to the Company and no Disqualification/Debarment of its Directors from holding Directorship in the Company is annexed to Corporate Governance Report.

**42. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent/Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**43. RISK MANAGEMENT POLICY:**

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risks and also to identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the senior management on a quarterly basis. Risk Management Committee of the Board of Directors of your Company assists the Board in (a) overseeing and approving the Company's enterprise wide risk management framework; and (b) overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational, other risks have been identified and assessed, and there is an adequate risk management infrastructure in place capable of addressing those risks. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this Report.

**44. POLICIES:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website [www.vijaytextiles.in](http://www.vijaytextiles.in).

**45. STATUTORY COMPLIANCE:**

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.



**46. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:**

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached a part of Corporate Governance Report. We affirm that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

**47. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website ([www.vijaytextiles.in](http://www.vijaytextiles.in)).

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at [www.vijaytextiles.in](http://www.vijaytextiles.in).

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment.

All employees are covered under this policy. During the year 2023-2024, there were no complaints received by the Committee.

**49. EVENT BASED DISCLOSURES:**

During the year under review, the Company has not taken up any of the following activities

- a. Issue of sweat equity share: NA
- b. Issue of shares with differential rights: NA
- c. Issue of shares under employee's stock option scheme: NA
- d. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
- e. Buy back shares: NA
- f. Disclosure about revision: NA
- g. Preferential Allotment of Shares: NA

**50. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of the Company under Insolvency and Bankruptcy Code, 2016.

State Bank of India (Financial Creditor) has filed petition Under Section 7 of Insolvency and Bankruptcy Code, 2016 against the Company at Hon'ble National Company Law Tribunal, Hyderabad Bench on June 05, 2023 which got registered on June 22, 2023 and one of the Operational Creditor of the Company has filed petition against the company under Section 9 of Insolvency & Bankruptcy Code, 2016 with Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench. However the application filed by State Bank of India has been rejected by the Hon'ble National Company Law Tribunal (NCLT), Hyderabad Bench on 08th May, 2024 without costs.

**51. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

Nil

**52. FAILURE TO IMPLEMENT CORPORATE ACTIONS:**

During the year under review, no corporate actions were done by the Company.

**53. SUSPENSION OF TRADING IN SECURITIES OF THE COMPANY:**

The securities of the Company are suspended from trading by the stock exchange w.e.f. 03.06.2024 due to non-payment of Annual Listing Fees.

**54. ACKNOWLEDGEMENTS:**

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the Company to achieve a moderate growth and is determined to poise for a significant growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSDL and CDSL, etc. for their continued support for the growth of the Company.

For and behalf of the Board  
**Vijay Textiles Limited**

Date: 31.08.2024  
Place: Secunderabad

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN: 01050958)

**Annexure-IA**

**STATEMENT SHOWING THE NAMES OF TOP TEN EMPLOYEES PURSUANT TO SEC. 197 READ WITH RULE 5 (1) (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The ratio of remuneration to each Director to the median remuneration of the employees of the Company for the financial year.

Director	Total Remuneration (in Rs.)	Ratio to median remuneration
Shri. Vijay Kumar Gupta	--	--
Shri. Susheel Kumar Gupta	--	--
Shri. Rakesh Malhotra	--	--

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Name	Designation	Remuneration		Increase/(Decrease) %
		FY 2023-24	FY 2022-23	
Shri. Vijay Kumar Gupta	Managing Director	--	--	-
Shri. Susheel Kumar Gupta	Whole Time Director	--	--	-
Shri. Rakesh Malhotra	Whole Time Director & CFO		12,00,000	--
Smt. Neha Kankariya (From :01.04.2023 to 12.05.2023)	Company Secretary and Compliance Officer	41,612	3,60,000	(765.14%)
Shri Yogesh Dayma From :From:22.07.2023 to 31.03.2025)	Company Secretary and Compliance Officer	2,49,677	--	--

The percentage increase in the median remuneration of employees in the Financial Year:

Particulars	Remuneration (in Rs.)		Increase/(Decrease)%
	FY 2023-24	FY 2022-23	
Median Remuneration of all the employees per annum*	20,705	21,965	-5.74%

\*Employees who have served for whole of the respective financial years have been considered.

Particulars	Number
The number of employees on the rolls of the Company as on March 31, 2024	60

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 details if there are any exceptional circumstances for increase in the managerial remuneration

<b>Particulars</b>	<b>Increase/(Decrease) %</b>
<b>Average percentage increase in the remuneration of all Employees*</b> (Other than Key Managerial Personnel)	Nil
<b>Average Percentage increase in the Remuneration of Key Managerial Personnel</b>	Nil
<i>*Employees who have served for whole of the respective financial years have been considered.</i>	

**Affirmation that the remuneration is as per the remuneration policy of the Company.**

The Company is in compliance with its remuneration policy.

**List of Top 10 Employees:**

In terms of Remuneration drawn as per Rule 5(3) of the Companies (Appointment and Remuneration of Management personnel) Rules 2014:

S. No	Name of the Employee	Designation of the employee	Remuneration received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	The age of the employee	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1	Jonnalagadda Ravi Shankar	Manager Accounts	7,00,672	Regular	B.Com	01.04.2020	56 Years	Nil	Nil	Nil
2	BethalaSnjay Vikram	Finance Manager	6,88,920	Regular	B.Com (Computers)	24.08.2018	51 Years	MaharaPratap Co-operative Urban Bank Ltd	-Nil-	-Nil-
3	Ram Niwas	Chief Security Officer	3,87,513	Regular	9th class, 14 Years	01.01.2006	57 Years	- NIL -	- NIL -	- NIL -
4	Abdul Rounaq Khan	Sales Executive	3,51,540	Regular	10 <sup>th</sup> Class	01.07.2020	36 Years	- NIL -	- NIL -	- NIL -
5	Jo Digamber Gunderao	Senior Sales Executive	4,27,080	Regular	10 <sup>th</sup> Class	01.12.2006	50 Years	- NIL -	- NIL -	- NIL -
6	Gautham Gound	Purchase Manager	4,03,692	Regular	M.Com	01.08.2014	48 Years	- NIL -	- NIL -	- NIL -
7	Dasari Sharada srimalini	Senior Sales Executive	3,85,460	Regular	B.A	01.03.2016	52 Years	- NIL -	- NIL -	- NIL -
8	Subhash CHnad Sharma	Senior Sales Executive	3,65,460	Regular	10 <sup>th</sup> Class	01.04.1990	71 Years	- NIL -	- NIL -	- NIL -
9	Bhakti Pada Barik	Senior Sales Executive	3,64,200	Regular	9th class,	01.08.2015	40 Years	- NIL -	- NIL -	- NIL -
10	Doultabad Sreenivasulu	Senior Accouns Executive	3,36,552	Regular	B.Com	01.03.2016	51 Years	- NIL -	- NIL -	- NIL -

**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)

This form pertains to the disclosure of particulars of contracts/arrangements entered into between the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis : Not Applicable
- a) Name(s) of the related party and nature of relationship : Not Applicable
- b) Nature of contracts/arrangements/transactions : None
- c) Duration of the contracts/arrangements/transactions : Not Applicable
- d) Salient terms of the contracts or arrangements or Transactions including the value, if any : Not Applicable
- e) Justification for entering into such contracts or Arrangements or transactions : Not Applicable
- f) Date(s) of approval of the Board : Not Applicable
- g) Amounts paid as advances, if any : None
- h) Date on which the special Resolution was passed in General meeting as required under first proviso to Section 188 : Not Applicable

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

Sl. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year
1	<b>Rent</b>				
1.	Shri Vijay Kumar Gupta, Managing Director	Office Premises on Rent 2187.50 Sq.ft	11 moths 01/04/2024 to 28/02/2025	Monthly Rent of Rs.53,580/-	31/07/2024
2.	Shri Vijay Kumar Gupta, (HUF) Managing Director	Office Premises on Rent 1562.50 Sq.ft	11 moths 01/04/2024 to 28/02/2025	Monthly Rent of Rs.66,955/-	31/07/2024
3.	Shri Susheel Kumar Gupta, Executive Director	Office Premises on Rent 1046.25 Sq.ft	11 moths 01/04/2024 to 28/02/2025	Monthly Rent of Rs.85,005/-	31/07/2024
4.	Shri Shashikala Gupta W/o Shri Vijay Kumar Gupta	Office Premises on Rent 1250.00 Sq.ft	11 moths 01/04/2024 to 28/02/2025	Monthly Rent of Rs.53,580/-	31/07/2024

## 3. Details of contracts or arrangements or transactions not in the ordinary course of business

Sl. No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	None
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	None
e)	Justification of entering into such contracts or arrangements or transactions	None
f)	Date of approval by the Board	Not Applicable
g)	Amount paid as advances, if any	Nil
h)	Date on which the special Resolution was passed in General Meeting as required under first proviso to Section 188	Not Applicable

All related party transactions that were entered during the financial year were on arms-length basis and are according to the policy of related party transactions adopted by the Company.

For and on behalf of the Board  
**Vijay Textiles Limited**

Place:Hyderabad  
Date: 31.08.2024

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN:01050958)

Sd/-  
**Susheel Kumar Gupta**  
Whole-Time Director  
(DIN: 00362714)

**Annexure – 3**

**Disclosure of Particulars with respect to conservation of Energy**

<b>I Energy Conservation:</b>	<b>31.03.2023</b>	<b>31.03.2024</b>
<b>A</b> 1. Power & Fuel Consumption		
<b>Electricity:</b>		
a) Purchased:		
Units	11,51,640	2,55,567
Total amount (Rs)	1,28,78,071	42,11,999
Cost/Unit (Rs)	11.18	16.48
b) Own Generation:		
Through Diesel Generator		
Units	Nil	Nil
Units per ltr. of Diesel oil	Nil	Nil
Cost/Unit (Rs)	Nil	Nil
2. Coal used in Boiler:		
Quantity (Tonnes)	Nil	Nil
Cost (Rs)	Nil	Nil
Average Rate (Rs)	Nil	Nil
3. Furnace Oil (HSD):		
Quantity (K. Litre)	Nil	Nil
Total Amount (Rs)	Nil	Nil
Average Unit/Litres	Nil	Nil
4. Others/Internal generation:		
Quantity (Tonnes)	3836	94
Total Cost (Rs)	1,39,93,979	3,88,997
Average Rate (Rs)	3,648	4138
<b>B</b> Consumption per unit of production (Linear meter)		
Electricity	6.25	20.87
Furnace Oil	Nil	Nil
Coal (Kgs.)	Nil	Nil
Others (Kgs.)	20.83	Nil
<b>2. Technology Absorption:</b>	The Company has its In – house Design and Development Department continuously develop innovative designs and select the most suitable raw fabrics for dyeing / printing / processing.	
<b>3. Foreign Exchange earnings and outgo</b>		
Earnings (Rs)	64,18,580	Nil
Outgo (Rs)	Nil	Nil

For and behalf of the Board  
**Vijay Textiles Limited**

Sd/-

**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN:01050958)

Sd/-

**Susheel Kumar Gupta**  
Whole-Time Director  
(DIN: 00362714)

Place: Hyderabad  
Date: 31.08.2024



**FORM MR-3****SECRETARIAL AUDIT REPORT**

*(Pursuant to Section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)*

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

To  
The Members of  
Vijay Textiles Limited  
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Vijay Textiles Limited** (hereinafter called “the Company”). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- I. 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, 2024 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and 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 and Amended Regulations 2018;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable during the period under review.
    - d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the period under review.**
    - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**
    - f. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; **Not Applicable during the period under review.**

- g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review.**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**

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 by the Company with the Stock Exchanges, to the extent applicable.
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”):

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable to the Company except the following:

- a. Company has submitted the un-audited financial results with a delay of 63 days for the Quarter ended June 30, 2023; 57 days for the Quarter and Half-Year ended September 30, 2023; 79 days for the Quarter ended December 31, 2023 and a delay of 61 days in Audited Financial Results for the Quarter and Year ended March 31, 2024 under Regulation 33 of SEBI LODR Regulations and subsequently the Exchange has imposed penalties.
  - b. Company has made a delay of one day in submission of Disclosures of related party transactions for the half year ended September 30, 2023 under Regulation 23(9) of SEBI LODR Regulations.
  - c. Company made a delay in making disclosure of material event under Regulation 30 of SEBI LODR Regulations to the BSE.
  - d. Due to the expiration of the term of office of Shri. Pankaj Kumar Trivedi as Independent Director, the resulting vacancy was filled by the Company by a delay of one day which resulted in imbalance in composition of committees. Accordingly, the exchange has levied a penalty for one day under Regulation 18 and 19 of SEBI LODR Regulations.
  - e. Company submitted the Reconciliation of Share capital Audit Report with a delay of 2 days for the Quarter ended June 30, 2023; 144 days for the Quarter ended December 31, 2023 and 53 days for the Quarter ended March 31, 2024 under regulation 76 of SEBI (DP) Regulations, 2018.
  - f. Company has not paid Annual Listing Fees for the Financial Year 2023-2024.
- vi. We further report that, as represented by the Company, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the registration requirements of the following laws applicable specifically to the Company:
- a. Textiles Committee Act, 1963

**We further report that:**

The Board of Directors of the Company is duly constituted with the balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors during the period under review as stated above. During the period under review, the following changes took place in the composition of the Board of Directors:

- i. Smt. Neha Kankariya resigned as Company Secretary and Compliance Officer of the Company w.e.f. 12.04.2023.

- ii. Smt. Alka Zanwar (DIN: 07577453) and Shri. Vikram Penmetsa (DIN: 07577396) were relieved as Independent Directors of the Company upon expiry of their tenure w.e.f. 28.07.2023
- iii. Smt. Payal Bafna (DIN: 09075302) and Shri. Ravi Prasad Muthyam (DIN: 06603818) were appointed as Independent Directors of the Company for a period of five (5) years w.e.f. 22.07.2023.
- iv. Shri. Yogesh Dayama was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 22.07.2023.
- v. Shri. Rakesh Malhotra (DIN: 05242639) was re-appointed as Whole-Time Director of the Company for a period of three (3) years w.e.f. 27.10.2023 to 26.10.2026.
- vi. Shri. Pankaj Kumar Trivedi (DIN: 08397137) relieved as Independent Director of the Company upon expiry of his tenure w.e.f. 25.03.2024.
- vii. Shri. Altab Uddin Kazi (DIN: 10435916) was appointed as Additional (Independent) Director of the Company and was regularised in the 01/2024-25 Extra-Ordinary General Meeting for a period of five (5) years w.e.f. 27.03.2024.
- viii. Shri. Susheel Kumar Gupta (DIN: 00362714) was re-appointed as Whole-Time Director of the Company for a period of three (3) years w.e.f. 01.04.2024 to 31.03.2027.

Adequate notice was given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice for which necessary consent has been sought at the meeting, 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 of the decisions at Board and/or Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

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

**We further report that** during the audit period the Company had no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs:

**Matter of Emphasis:**

It has been observed that the Company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") have become Non Performing Asset post which regular business transactions were conducted through trust & retention account ("TRA") managed by SBI on behalf of company for both SBI & Axis. Validity of such operation was permitted up to 31<sup>st</sup> July 2022 after which all the banking transactions were frozen by the banks. Subsequent to the above event company has been issued demand notices by SBI and Axis under letter dated August 17, 2022 and September 09, 2022 respectively under section 13 (2) of Securitisation and Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") giving company a sixty days' time period to deposit the amounts due to the banks amounting to Rs. 72.84 Crores & Rs. 20.04 Crores (amounts specified are per the notices issued by respective banks after application of interest and penal charges up to the date of these notices).

We draw attention to the application filed by State Bank of India before Hon'ble National Company Law Tribunal [NCLT] Hyderabad bench under Section 7 of Insolvency and Bankruptcy Code, 2016 in respect of dues payable to State bank of India & Axis Bank Limited, was rejected by the Hon'ble tribunal on 08th May 2024 without costs.

**ANNEXURE TO  
DIRECTORS' REPORT**



**TEXTILES LIMITED**

Further, the State Bank of India has sued for recovery before Debt Recovery Tribunal under SARFAESI Act, 2002, proceedings for which are in progress and next date of hearing is fixed for 25.09.2024.

Further, as the TRA Account is freeze the Company is managing its daily operations with the support of Promoter Directors.

**For Nishant Darak & Associates**

Place: Hyderabad  
Date: 31.08.2024

Sd/-  
**Nishant Darak**  
Proprietor  
M.NO. 71502  
C. P. No: 26646  
UDIN NO: A071502F001090377  
P.R. No.: 3486/2023

To  
The Members of  
Vijay Textiles Limited

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 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 relied on the reports given by the concerned professionals in verifying 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 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 future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For Nishant Darak & Associates**

Sd/-

**Nishant Darak**

Proprietor

M.NO. 71502

C. P. No: 26646

UDIN NO: A071502F001090377

P.R. No.: 3486/2023

Place: Hyderabad

Date: 31.08.2024

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **Industry Structure, Developments, and Performance**

The furnishing industry has experienced significant growth and transformation, driven by evolving consumer preferences and mass appeal. The expansion of the housing and infrastructure sectors has played a pivotal role in organizing and propelling this industry forward. Globally, the industry has shown substantial growth, fuelled by economic changes and an increase in consumer spending power, leading to greater investments in home and office furnishings. Current trends suggest continued growth potential, and the Company is actively working to capitalize on these opportunities.

The Company has successfully established itself as a key player in the domestic market, benefiting from the industry's overall growth. Our core strengths include a well-established pan-India dealer network for wholesale business, and four large-format retail stores strategically located in Hyderabad and Secunderabad. These stores, coupled with a robust infrastructure, enable us to explore new markets and drive business development. Our diverse clientele includes NRIs, prestigious institutions, corporate customers, and a wide range of consumers across various socio-economic strata.

Our state-of-the-art Embroidery Unit, established in 2009-2010, equipped with 40 fully automatic embroidery machines imported from Japan, provides a competitive edge by adding value to our products. The demand for embroidered furnishing fabric and bed linen has increased, allowing the Company to strengthen its market position and capture a larger market share.

### **Opportunities and Threats**

The furnishing fabric market, though consistently growing, has seen a shift in consumer tastes and preferences due to changing lifestyles. Economic liberalization and increased living standards have boosted general spending power, with the housing sector boom further enhancing consumer demand for sophistication. Despite operating in a highly competitive environment, the Company's experience and core competencies have enabled it to adapt to market changes and overcome challenges.

The Company does not anticipate any immediate threats to its market position, thanks to the integrated approach of manufacturing, wholesale, and retail operations under one umbrella. This synergy, along with constant innovation, has allowed the Company to maintain a leadership position in the market.

### **Segment-wise or Product-wise Performance**

Segments are identified based on the dominant sources of risks and returns, as well as the internal organization and management structure. The Company considers business segments as the primary basis for disclosure. Currently, the Company does not operate in distinct geographical segments.

### **Outlook**

The industry is witnessing robust growth on a global scale, supported by rising demand in the housing and infrastructure sectors. Changing lifestyles and an increased willingness to spend on both luxury and essential items are key drivers of this growth. These factors are expected to help the Company achieve its projected growth targets. While external factors, including economic slowdowns, have posed challenges, the Company's aggressive marketing strategies have mitigated some of these impacts. With a focus on expanding our product portfolio and introducing new ranges of embroidered fabrics, the Company is on track to achieve consistent growth.

The Company plans to continue its emphasis on the retail segment, aiming for both horizontal and organic growth. This approach will extend our reach into untapped markets, helping us achieve our long-term goals and paving the way for future consolidation.

### **Risks and Concerns**

The Company remains cautious about the market environment, particularly the ongoing economic slowdown and its impact on market recovery. Market volatility and fluctuating raw material prices are key concerns that must be addressed to ensure continued growth. The Company is optimistic that continuous product innovation and new marketing strategies will help

mitigate the adverse effects brought about by the pandemic. While the industry as a whole faces economic challenges, our focus on resilience, agility, and adaptability—supported by a strong workforce—positions us well for the future.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an adequate internal control system which commensurate with the size and nature of its business. The internal control system is being supported by internal audits, regular reviews by management to ensure reliability of financial and all other records to prepare financial statements and other data. Further the Audit Committee of the Board review the findings and recommendations of the internal audit and suitable implementations are affected.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company achieved a gross turnover of Rs. 1398.96 Lakhs during the year and net loss of Rs. 2329.41 Lakhs during the year under review. Notwithstanding adverse trends prevalent and stressful environment that continues to persist, the Company's results, though bely expectations, are rated as satisfactory.

The Company looks ahead with hopes to continue its good run and sustained growth in the current financial year and years to follow. The Company is pushing up its marketing synergies to gain access to newer markets with its product innovation strategies, improvement in overall operations and introduction of new range of products in line with prevalent trends that will help it to sail well in the ensuing financial year.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

There are no material developments in the Human Resources area. The Industrial relations have been satisfactory. The Company constantly reviews the manpower requirements and effective steps are being taken to meet the requirements. The total number of people directly and indirectly employed by the Company is 110.

#### **DETAILS OF SIGNIFICANT CHANGES (I.E CHANGES OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) ON KEY FINANCIAL RATIOS ALONG WITH DETAILED EXPLANATIONS THERE FOR:**

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

#### **The key financial ratios are as under:**

Particulars	F.Y2023-24	F.Y2022-23
Debtors Turnover	0.01	0.08
Inventory Turnover	0.13	0.24
Interest Coverage Ratio	(0.55)	(0.17)
Current Ratio	2.07	2.20
Debt Equity Ratio	4.76	3.07
Operating Profit Margin (%)	(110.64)	(25.17)
Net Profit Margin (%)	(1.75)	(25.36)
Return on Net worth	(41.01)	(8.96)

#### **DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:**

During the year under review, the Return on Net Worth is only (8.96) when compared to the previous year of (0.14) the reason for the drastic downfall is due to lower turnover on account of general downfall in the industry.

#### **DISCLOSURE OF ACCOUNTING TREATMENT:**

The Company has not carried out any treatment different from that prescribed in Accounting Standards.

**NOTE:**

Readers are advised to kindly note that the above discussion contains statements about risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. We do not expect these statements to be updated or revised to take care of any changes in the underlying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same. risks, concerns, opportunities, etc., which are valid only at the time of making the statements. A variety of factors known/unknown expected or otherwise may influence the financial results. We do not expect these statements to be updated or revised to take care of any changes in the underlying presumptions.

Readers may therefore appreciate the context in which these statements are made before making use of the same.



## **CORPORATE GOVERNANCE REPORT**

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Vijay Textiles Limited as follows:

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

### **DATE OF REPORT**

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31<sup>st</sup> March, 2024. The Report is updated as on the date of the report wherever applicable.

### **BOARD DIVERSITY:**

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

### **I. BOARD OF DIRECTORS**

#### **A. COMPOSITION OF THE BOARD**

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Shri. Vijay Kumar Gupta, Chairman and Managing Director. As on date of this report, the Board of Directors of the Company has 6 members (including three Independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/Committee Chairmanships/Memberships attendance particulars is as under:

Name	Category	Attendance at the AGM held on 19.10.2023	Attendance in Board Meetings		No. of Directorships in other companies		No. of committee positions held in other public companies	
			Held	Present	Chairman	Director	Chairman	Director
Shri. Vijay Kumar Gupta	Promoter, Managing Director & Chairman	Yes	6	6	-	1	-	-
Shri. Susheel Kumar Gupta	Promoter, Whole-Time Director	Yes	6	6	-	1	-	-
Shri. Rakesh Malhotra	Whole-Time Director & CFO	Yes	6	6	-	-	-	-
*Shri. Vikram Penmetsa	NED & Independent Director	NA	6	2	-	-	-	-

# ANNEXURE TO DIRECTORS' REPORT



# TEXTILES LIMITED

Name	Category	Attendance at the AGM held on 19.10.2023	Attendance in Board Meetings		No. of Directorships in other companies		No. of committee positions held in other public companies	
*Smt. Alka Zanwar	NED & Independent Director	NA	6	2	-	-	-	-
**Shri. Pankaj Kumar Trivedi	NED & Independent Director	Yes	6	5	-	-	-	-
^ Shri. Ravi Prasad Muthyam	NED & Independent Director	Yes	6	5	-	2	-	-
^ Smt. Payal Bafna	NED & Independent Director	Yes	6	5	-	6	2	6
^ ^ Shri. Altab Uddin Kazi	NED & Independent Director	NA	6	-	-	2	-	-

\*ceases w.e.f. 28.07.2023, ^ appointed w.e.f. 22.07.2023, \*\* ceases w.e.f. 25.03.2024 and ^ ^ appointed w.e.f. 27.03.2024.

### Names of the Listed entities where the person is a Director and the category of Directorship:

Smt. Payal Bafna is Independent Director in TTI Enterprise Limited, Premier Auto Finance Ltd and Flora Textiles Limited

During the year, Six (6) meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meeting are 14.04.2023, 22.07.2023, 26.09.2023, 17.10.2023, 11.01.2024 and 28.03.2024.

### B. A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

S I. No	Skills / Expertise / Competence of the Board of Directors are required in the context of business of the Company	Names of the Directors who have such skills / expertise / competence
1	Manufacturing & Marketing	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra.
2.	Commercial	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra.
3	Regulatory	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra, Vikram Penmetsa, Alka Zanwar, Pankaj Kumar Trivedi, Ravi Prasad Muthyam, Payal Bafna Altab Uddin Kazi.
4	Finance & Accounting	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra, Vikram Penmetsa, Alka Zanwar, Pankaj Kumar Trivedi, Ravi Prasad Muthyam, Payal Bafna Altab Uddin Kazi.
5	Research & Development	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra
6	Legal and General Management	Vijay Kumar Gupta, Susheel Kumar Gupta, Rakesh Malhotra, Vikram Penmetsa, Alka Zanwar, Pankaj Kumar Trivedi, Ravi Prasad Muthyam, Payal Bafna Altab Uddin Kazi

### C. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

Shri. Vijay Kumar Gupta, Chairman and Managing Director and Shri. Susheel Kumar Gupta, Whole-Time Director of the Company are related to each other by virtue of their relationship as father and son respectively. Other Directors do not have any interest relation with each other.

**D. NUMBER OF SHARES AND HELD BY NON-EXECUTIVE DIRECTORS:**

None of the Non-Executive Directors hold Equity Shares or Convertible Instruments of the Company of the Company.

**E. INDEPENDENT DIRECTORS:**

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013.

The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

During the year under review, none of the Independent Directors have resigned from the Board of Directors of the Company.

**F. INDEPENDENT DIRECTORS' MEETING:**

As per Clause 7 of the Schedule IV of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 28.03.2024, and discussed the following:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
3. Review the performance of the chairperson of the listed entity.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

**G. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company is also made to the Directors.

The details of familiarisation programme held in Financial Year 2023-2024 are also disclosed on the Company's website at [www.vijaytextiles.in](http://www.vijaytextiles.in).

**H. DECLARATION BY BOARD**

The Board has confirmed that in its opinion, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

**I. COMMITTEES OF THE BOARD:**

The Company has three Board-level Committees - Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the Financial Year and the related attendance are provided in this report below:

1. **AUDIT COMMITTEE:** (Audit Committee constituted in terms of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015).

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and, inter-alia, includes

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- iii. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- iv. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- v. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
  - (a) Matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-Section (3) of Section 134 of the Act;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report;
- vi. Review of the quarterly and half yearly financial results with the management before submission to the Board for approval;
- vii. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- viii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- ix. Approval or any subsequent modification of transactions with related parties;
- x. Scrutiny of inter-corporate loans and investments;
- xi. Review of valuation of undertakings or assets of the Company wherever it is necessary;
- xii. Evaluation of internal financial controls and risk management systems;
- xiii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xiv. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- xv. Discussion with internal auditors of any significant findings and follow up there on;

- xvi. 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;
- xvii. 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;
- xviii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xix. Review the functioning of the whistle blower mechanism;
- xx. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- xxi. Review of the following information:
  - (a) Management discussion and analysis of financial condition and results of operations;
  - (b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - (c) Internal audit reports relating to internal control weaknesses;
  - (d) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
  - (e) Statement of deviations:
    - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
    - Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xxii. Carrying out any other function as may be referred to the Committee by the Board.
- xxiii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

**B. COMPOSITION, MEETINGS & ATTENDANCE:**

There were four (4) Audit Committee Meetings held during the year on 14.04.2023, 22.07.2023, 17.10.2023 and 11.01.2024.

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Present
^ Shri. Ravi Prasad Muthyam	Chairman	Independent and Non-Executive	4	2
^ Smt. Payal Bafna	Member	Independent and Non-Executive	4	2
^ ^ Shri. Altab Uddin Kazi	Member	Independent and Non-Executive	4	-
*Shri. Vikram Penmetsa	Chairman	Independent and Non-Executive	4	2
*Smt. Alka Zanwar	Member	Independent and Non-Executive	4	2
**Shri. Pankaj Kumar Trivedi	Member	Independent and Non-Executive	4	4

\*ceases w.e.f. 28.07.2023, ^ appointed w.e.f. 22.07.2023, \*\* ceases w.e.f. 25.03.2024 and ^ ^ appointed w.e.f. 27.03.2024.

C. Previous Annual General Meeting of the Company was held on 19<sup>th</sup> October, 2023 and Shri. Pankaj Kumar Trivedi, Chairman of the Audit Committee for that period, attended previous AGM.

**2. NOMINATION AND REMUNERATION COMMITTEE (Nomination and Remuneration Committee constituted in terms of Section 178 of Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015):**

The terms of reference of the Nomination and Remuneration Committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

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

**B. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE, MEETINGS & ATTENDANCE:**

During the Financial Year (3) three Nomination and Remuneration Committee Meeting were held i.e., 22.07.2023, 26.09.2023 and 28.03.2024.

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Present
^ Shri. Ravi Prasad Muthyam	Chairman	Independent and Non-Executive	3	2
^ Smt. Payal Bafna	Member	Independent and Non-Executive	3	2
^ ^ Shri. Altab Uddin Kazi	Member	Independent and Non-Executive	3	-

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Present
*Shri. Vikram Penmetsa	Chairman	Independent and Non-Executive	3	1
*Smt. Alka Zanwar	Member	Independent and Non-Executive	3	1
**Shri. Pankaj Kumar Trivedi	Member	Independent and Non-Executive	3	2

\*ceases w.e.f. 28.07.2023, ^ appointed w.e.f. 22.07.2023, \*\* ceases w.e.f. 25.03.2024 and ^ ^ appointed w.e.f. 27.03.2024.

### C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

### POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

#### 1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

#### 2. Terms and References:

2.1 **“Director”** means a Director appointed to the Board of a Company.

2.2 **“Nomination and Remuneration Committee”** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 **“Independent Director”** means a Director referred to in Sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 3. Policy:

##### Qualifications and criteria:

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the Nomination and Remuneration Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the Company for Directors and senior Management personnel;
- shall disclose his concern or interest in any Company or Companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

### **3.2 Criteria of Independence:**

- 3.2.1 The Nomination and Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.
- 3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.2.3 The Independent Director shall abide by the "Code for Independent Directors "as specified in Schedule IV to the companies Act, 2013.

### **3.3 Other Directorships/ Committee Memberships:**

- 3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.
- 3.3.3 A Director shall not serve as an Independent Director in more than 7 listed Companies and not more than 3 listed Companies in case he is serving as a Whole-Time Director in any listed Company.
- 3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all Companies in which he holds Directorships.

For the purpose of considering the limit of the Committee, Audit Committee and Stakeholder's Relationship Committee of all public limited Companies, whether listed or not, shall be included and all other Companies including private limited Companies, foreign Companies, high value debt listed entities and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.



The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees:

**1. Scope:**

This policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

**2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

2.1 **“Director”** means a Director appointed to the Board of the Company.

2.2 **“key managerial personnel”** means

- (i) The Chief Executive Officer or the Managing Director or the Manager;
- (ii) The Company Secretary;
- (iii) The Whole-Time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other office as may be prescribed under the Companies Act, 2013

2.3 **“Nomination and Remuneration Committee”** means the committee constituted by Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**3. Policy:**

**3.1 Remuneration to Executive Director and Key Managerial Personnel:**

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR)

3.1.2 The Board on the recommendation of the Nomination and Remuneration Committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the Nomination and Remuneration Committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

**3.2 Remuneration to Non – Executive Directors:**

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non- Executive Directors

of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

**3.3. Remuneration to other employees:**

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

**D. MECHANISM FOR EVALUATION OF THE BOARD:**

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

In line with Securities and Exchange Board of India Circular No. SEBI/ HO/ CFD /CMD/ CIR/P/ 2017/004, dated January 5, 2017 and the Companies Amendment Act, 2017 the Company adopted the recommended criteria by Securities and Exchange Board of India.

The Directors were given Six Forms for evaluation of the following:

- (i) Evaluation of Board;
- ii) Evaluation of Committees of the Board;
- (iii) Evaluation of Independent Directors;
- (iv) Evaluation of Chairperson;
- (v) Evaluation of Non-Executive and Non-Independent Directors; and
- (vi) Evaluation of Managing Director.

The Directors were requested to give following ratings for each criteria:

- 1. Could do more to meet expectations;
- 2. Meets expectations; and
- 3. Exceeds expectations.

Based on the evaluation done by the Directors, the Chairman of the Independent Director Committee and the Board has prepared a report and submitted the Evaluation Report. Based on the report, the Board of Directors has informed the rankings to each Director and also informed that the performance of Directors is satisfactory and they are recommended for continuation as Directors of the Company.

**E. REMUNERATION TO DIRECTORS:**

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Equity Shares held
Shri Vijay Kumar Gupta	--	--	--	78,63,016
Shri Susheel Kumar Gupta	--	--	--	40,19,699
Shri Rakesh Malhotra	--	--	--	-
Shri. Vikram Penmetsa	--	20,000	20,000	--
Smt. Alka Zanwar	--	20,000	20,000	--

Name of the Director	Remuneration (Rs)	Sitting Fee (Rs)	Total (Rs)	No. of Equity Shares held
Shri. Pankaj Kumar Trivedi	--	55,000	55,000	--
Shri. Ravi Prasad Muthyam	--	50,000	50,000	--
Smt. Payal Bafna	--	50,000	50,000	--
Shri. Altab Uddin Kazi	--	--	--	--

Except for the remuneration details mentioned above, there are no other pecuniary relationship or transactions of the Non-Executive Director's vis-à-vis the listed entity in terms of salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives.

**F. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:**

The performance evaluation criteria for Independent Directors are already mentioned under the head "Board Evaluation" in Directors' Report.

**2. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

Stakeholders Relationship Committee constituted in terms of Section 178(5) of Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:** The Committee's role includes:

- 1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, General Meetings etc;
- 2) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent
- 3) Review of the 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;
- 4) Review of measures taken for effective exercise of voting rights by shareholders.
- 5) Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year One (I) Stakeholders Relationship Committee Meeting was held on 28.03.2024.

**B. COMPOSITION AND ATTENDANCE FOR MEETINGS:**

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Present
^ Shri. Ravi Prasad Muthyam	Chairman	Independent and Non-Executive		
^ Smt. Payal Bafna	Member	Independent and Non-Executive		
^ ^ Shri. Altab Uddin Kazi	Member	Independent and Non-Executive		-
*Shri. Vikram Penmetsa	Chairman	Independent and Non-Executive		-

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Present
*Smt. Alka Zanwar	Member	Independent and Non-Executive	1	-
**Shri. Pankaj Kumar Trivedi	Member	Independent and Non-Executive	1	-

\*ceases w.e.f. 28.07.2023, ^ appointed w.e.f. 22.07.2023, \*\* ceases w.e.f. 25.03.2024 and ^^ appointed w.e.f. 27.03.2024.

**C. NAME AND DESIGNATION OF COMPLIANCE OFFICER:**

Shri. Yogesh Dayama, Company Secretary and Compliance Officer of the Company.

**D. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2023-2024:**

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2024
Number of shareholders' complaints received during the Financial Year	Nil
Number of complaints not solved to the satisfaction of shareholders	Nil
Number of pending complaints	Nil

**4. SENIOR MANAGEMENT:**

Particulars of senior management including the changes therein since the close of the previous Financial Year: Nil

**2. GENERAL BODY MEETINGS:**

**A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:**

Financial Year	Date	Time	Venue	Special Resolution Passed
2020-21	30.09.2021	11.00 AM	Video Conference (VC)/ Other Audio-Visual Means (OAVAM)	Yes
2021-22	30.09.2022	11:00 AM	Video Conference (VC)/ Other Audio-Visual Means (OAVAM)	Yes
2022-23	19.10.2023	11:30 AM	Video Conference (VC)/ Other Audio-Visual Means (OAVAM)	Yes

**B. PASSING OF RESOLUTIONS BY POSTAL BALLOT:**

There were no Resolutions passed by the Company through Postal Ballot/Extra-ordinary General Meetings during the Financial Year 2023-2024.

**C. WHETHER ANY SPECIAL RESOLUTION IS PROPOSED TO BE CONDUCTED THROUGH POSTAL BALLOT: No**

**3. DISCLOSURES:**

**A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

During the year under review, the Company had not entered in to any materially significant other contract/ arrangement/transaction with related parties which could be considered material in accordance with the

policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

**B. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

[www.vijaytextiles.in/related-party-transactions.php](http://www.vijaytextiles.in/related-party-transactions.php)

**C. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS:**

There are no penalties imposed on the Company by the BSE Limited or SEBI or any other statutory authority on any matter related to capital markets, during the last three years except the following:

Year	Regulation	Non-Compliance	Action Taken by	Penalty Imposed
2021-2022	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Un-audited financial results of the Company for the Quarter ended 31.12.2021	BSE	23,600
2021-2022	Regulation 14 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in paying of Annual Listing fees of the Company for the Financial Year 2021-22	--	--
2022-2023	Regulation 14 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in paying of Annual Listing fees of the Company for the Financial Year 2022-23	--	--
2022-2023	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Un-audited financial results of the Company for the Quarter ended 30.06.2022	BSE	23,600
2022-2023	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Audited financial results of the Company for the Quarter and Financial Year ended 31.03.2023	BSE	3,13,800
2023-2024	Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Company has made a delay in making disclosure of material event to the Exchange.	--	--
2023-2024	Regulation 14 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Non-payment of Fees and other charges to be paid to the recognized stock exchange.	BSE	--

Year	Regulation	Non-Compliance	Action Taken by	Penalty Imposed
2023-2024	Regulation 18, 19 & 20 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	On expiration of the term of office of director, the resulting vacancy was not filled by the Company before the date such office is vacated	BSE	4,720
2023-2024	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Un-audited financial results of the Company for the Quarter ended 30.06.2023	BSE	3,71,700
2023-2024	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Un-audited financial results of the Company for the Quarter and Half-year ended 30.09.2023	BSE	3,36,300 (Approximately)
2023-2024	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Un-audited financial results of the Company for the Quarter ended 31.12.2023	BSE	4,66,100 (Approximately)
2023-2024	Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015	Delay in consideration of Audited financial results of the Company for the Quarter and Financial Year ended 31.03.2024	BSE	3,59,900 (Approximately)
2023-2024	Regulation 76 of SEBI (Depositories & Participants) Regulations, 2018	The Company has submitted the Reconciliation of Share capital Audit Report for the Quarter ended 30.06.2023 with a delay of 2 days, for Quarter ended 31.12.2023 with a delay of 144 days and for Quarter ended 31.03.2024 with a delay of 53 days.	--	--

**D. WHISTLE BLOWER POLICY/VIGIL MECHANISM:**

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination.

No person has been denied access to the Chairman of the Audit Committee.

**E. DISCLOSURE OF COMMODITY PRICE RISKS, FOREIGN EXCHANGE RISK AND COMMODITY HEDGING ACTIVITIES:**

The Company is into manufacturing of textiles and doesn't consume large quantities of commodities in its manufacturing activities. Hence, the Company is not materially exposed to commodity price risks, Foreign Exchange Risk nor does the Company do any commodity hedging.

**F. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:**

During the year under review, no issue of shares was made either by way of preferential allotment/Qualified Institutional Placement/Rights Issue or by any other ways.

**G. CERTIFICATE FROM PRACTICING COMPANY SECRETARY:**

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. The Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

**H. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.**

The fees paid by the Company to its statutory Auditors is Rs. 4,50,000/- per annum.

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

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

**J. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.**

The Company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

**K. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

The Company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

**L. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:**

Regulation	Particulars	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes

<b>Regulation</b>	<b>Particulars</b>	<b>Compliance Status</b>
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of Listed Company	NA
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Website	Yes

**M. CODE OF CONDUCT.**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**N. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2023-2024.**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2024 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

**O. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT: Nil**

**P. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

The Company has an Executive Chairman and the Board is having required number of Independent Directors. The Financial Statements are free from any Audit Qualifications.

**Q. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**R. RECOMMENDATIONS OF COMMITTEES:**

The Board has accepted and acted upon all the recommendations by the Audit, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

**S. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY INCLUDING THE DATE AND PLACE OF INCORPORATION AND THE NAME AND DATE OF APPOINTMENT OF THE STATUTORY AUDITORS OF SUCH SUBSIDIARIES: NA**

**4. MEANS OF COMMUNICATION:**

- i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Proforma prescribed by Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 within forty-five days/sixty days of the close of the respective period except in few cases.



- ii. The approved financial results are forthwith sent to the listed Stock Exchange and are published in the newspapers namely, The Financial Express and Nava Telangana within forty-eight hours of approval thereof.
- iii. As the Company's quarterly/half yearly financial results are uploaded on Company's website [www.vijaytextiles.in](http://www.vijaytextiles.in), the same are not mailed to the Shareholders.

**5. GENERAL SHAREHOLDERS INFORMATION:**

Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L18100TG1990PLC010973.
Financial Year	2023-2024
Date	30.09.2024
Time	12.30 P.M
Venue of AGM	Through Video conference or other Audio visual mean
Dividend payment date	--
Tentative Schedule for considering Financial Results:	
For the Quarter ending June, 2024	September/ October, 2024
For the Quarter ending September, 2024	October/ November, 2024
For the Quarter ending December, 2024	January/ February, 2025
For the Quarter/year ending March, 2025	April/ May, 2025
Date of Book Closure	--
Name and address of each stock exchange(s) at which the Company's securities are listed	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
Confirmation of Payment of annual listing fees to stock exchanges	Not paid to BSE, where the shares of the Company are listed
Scrip Code	530151
ISIN Number for NSDL & CDSL	INE256G01033
In case the securities are suspended from trading, the Directors report shall explain the reason thereof In case the securities are suspended from trading, the Directors report shall explain the reason thereof	The securities of the Company are suspended from trading by the Stock Exchanges.
Registrar to an Issue and Share Transfer Agents	Aarathi Consultants Private Limited, 1-2-85, Domalguda, Hyderabad – 500029. Phone: 040-27638111, 27634445, Fax: 040-2763218, Email: <a href="mailto:info@aarthiconsultants.com">info@aarthiconsultants.com</a>
Plant Locations	Factory: Rajapoor Village, Mahaboobnagar, Telangana. Retail Show Rooms: 1. Secunderabad, 2. Ameerpet, Hyderabad. 3. Kukatpally, Hyderabad . 4. Dilsukhnagar, Hyderabad .

Address for correspondence	Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad- 500 003. Ph. No. 040-27848479, 27844086. Fax: 040-27846849. Email: Info@vijaytextiles.in
List of all Credit Ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	Since the Company has not issued any Debt Instruments or Fixed Deposit Programme, therefore Company has not obtained any Credit Ratings during the Financial Year.
Investor Correspondence / Query on Annual Report, etc.	Yogesh Dayama Company Secretary Surya Towers, Ground Floor, 104, Sardar Patel Road, Secunderabad - 500 003.Ph. No. 040-27848479, 27844086. Fax: 040-27846849 Email: <a href="mailto:cs@vijaytextiles.in">cs@vijaytextiles.in</a> Web: <a href="http://www.vijaytextiles.in">www.vijaytextiles.in</a>

**B. Share transfer system:**

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

The transmission or transposition of securities held in physical or dematerialized form shall be effected only in dematerialized form.

According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

**C. MARKET PRICE DATA:**

**MONTHLY HIGH/LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE BSE LIMITED.**

Sl. No.	Month	Open Price (in Rs.)	High Price (in Rs.)	Low Price (in Rs.)	Close Price (in Rs.)
1	Apr-23	29.99	29.99	23.42	26.65
2	May-23	27.00	31.90	24.20	26.51
3	Jun-23	27.00	30.75	22.33	27.40
4	Jul-23	27.39	30.89	25.00	28.87
5	Aug-23	29.50	29.97	24.77	25.25
6	Sep-23	25.74	27.25	24.95	25.80
7	Oct-23	26.00	29.44	25.30	28.74
8	Nov-23	29.00	32.87	26.35	28.12
9	Dec-23	29.00	29.35	24.00	26.93
10	Jan-24	25.75	32.00	25.00	25.83
11	Feb-24	26.90	28.39	24.00	24.31
12	Mar-24	24.45	25.65	17.20	17.48

**D. SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2024:**

**Shareholding of Promoter and Promoter Group:**

Category	Category & Name of the Shareholder	No of fully paid-up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held
	(I)	(IV)	(VIII)	(XIII)	
(1)	Indian				
(a)	Individuals/Hindu undivided Family	1,36,85,045	74.76	68,80,045	50.27
(b)	Central Government/State Government(s)	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-
(d)	Any Other	-	-	-	-
	<b>Sub-Total (A)(I)</b>	<b>1,36,85,045</b>	<b>74.76</b>	<b>68,80,045</b>	<b>50.27</b>
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	-
(b)	Government	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-

Category	Category & Name of the Shareholder	No of fully paid-up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held
(e)	Any Other	-	-	-	-
	<b>Sub-Total (A)(2)</b>	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>1,36,85,045</b>	<b>74.76</b>	<b>68,80,045</b>	<b>50.27</b>

**SHAREHOLDING OF PUBLIC GROUP:**

Category	Category & Name of the Shareholder	No of fully paid up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held
	<b>(I)</b>	<b>(IV)</b>	<b>(VIII)</b>	<b>(XIII)</b>	
(1)	Institutions				
(a)	Mutual Funds	-	-	NA	NA
(b)	Venture Capital Funds	-	-	NA	NA
(c)	Alternate Investment Funds	-	-	NA	NA
(d)	Foreign Venture Capital Investors	-	-	NA	NA
(e)	Foreign Portfolio Investors	-	-	NA	NA
(f)	Financial Institutions/Banks	-	-	NA	NA
(g)	Insurance Companies	-	-	NA	NA
(h)	Provident Funds/Pension Funds	-	-	NA	NA
(i)	Any Other				
	<b>Sub Total (B)(1)</b>	-	-	<b>NA</b>	<b>NA</b>
(2)	Central Government/State Government(s)/President of India	-	-	NA	NA
	<b>Sub Total (B)(2)</b>	-	-	<b>NA</b>	<b>NA</b>
(3)	Non-Institutions				
(a)	i. Individual shareholders holding nominal share capital up to Rs.2 Lakhs	20,84,397	11.39	NA	NA
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	21,98,154	12.01	NA	NA
(b)	NBFCs Registered with RBI	-	-	NA	NA
(c)	Employee Trusts	-	-	NA	NA

Category	Category & Name of the Shareholder	No of fully paid up equity shares held	Shareholding as a % of total no of shares	Number of Shares pledged or otherwise encumbered	As a % of total Shares held
(d)	Overseas Depositories (Holding DRs)(Balancing figure)	-	-	NA	NA
(e)	Any Other	3,37,404	1.84	NA	NA
	<b>Sub Total (B)(3)</b>	<b>46,19,955</b>	<b>25.24</b>	NA	NA
	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)</b>	<b>1,83,05,000</b>	<b>100</b>	NA	NA

**E. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2024**

Distribution Schedule - Consolidated As on 31-03-2024					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	7124	90.93	634458	6344580	3.47
5001- 10000	340	4.34	266410	2664100	1.46
10001- 20000	158	2.02	233276	2332760	1.27
20001- 30000	54	0.69	135175	1351750	0.74
30001- 40000	34	0.43	121937	1219370	0.67
40001- 50000	19	0.24	866330	866330	0.47
50001- 100000	42	0.54	321773	3217730	1.76
100001 & above	64	0.82	16505338	165053380	90.17
Total	7835	100.00	18305000	183050000	100.00

**F. DEMATERIALIZATION & LIQUIDITY OF SHARES:**

**Dematerialization and Liquidity of Shares:**

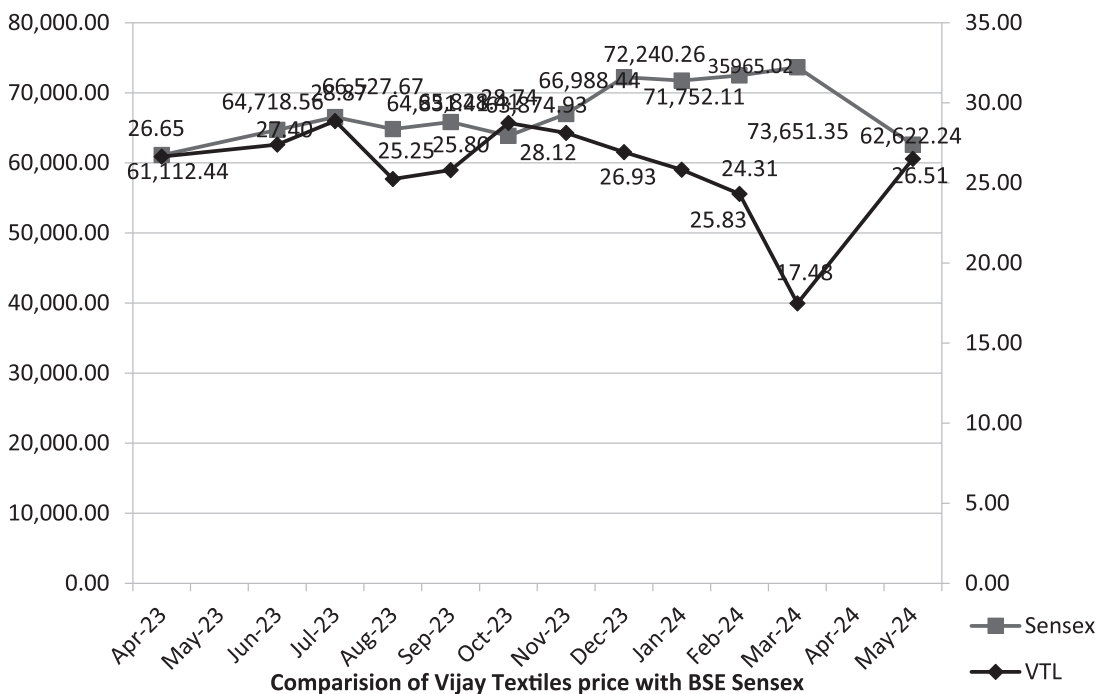
Trading in Company's shares is permitted only in dematerialized form for all investors. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	1,57,79,831	86.20
CDSL	25,14,207	13.74
Physical	10,962	0.06
TOTAL	1,83,05,000	100.00

**Reconciliation of Share Capital Audit**

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical firm and the total number of dematerialized shares held with NSDL and CDSL.

**H. STOCK PERFORMANCE IN COMPARISON TO BSE SENSEX:**



**I. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company has not issued these types of securities.

For and behalf of the Board  
**Vijay Textiles Limited**

Date: 31.08.2024  
Place: Secunderabad

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN: 01050958)

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
**Vijay Textiles Limited**

We have examined the compliance of the conditions of Corporate Governance by Vijay Textiles Limited ('the Company') for the Financial Year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D, E, F & G of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on March 31, 2024.

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

**For Nishant Darak & Associates**

Place: Hyderabad  
Date: 31.08.2024

Sd/-  
**Nishant Darak**  
M. No.: 71502; CP No. 26646  
UDIN: A071502F001090652  
Peer Review No.: 3486/2023

## 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 of  
**Vijay Textiles Limited**  
Hyderabad

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Vijay Textiles Limited** having CIN **LI8100TG1990PLC010973** and having registered office at 104, Surya Towers, S.P. Road, Secunderabad -500003, Telangana (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 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 and its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

List of Directors of the Company as on 31<sup>st</sup> March, 2024

Sr. No.	Name of Director	DIN	Designation
1.	Vijay Kumar Gupta	01050958	Managing Director
2.	Susheel Kumar Gupta	00362714	Whole-Time Director
3.	Rakesh Malhotra	05242639	Whole-Time Director
4.	Ravi Prasad Muthyam	06603818	Independent Director
5.	Payal Bafna	09075302	Independent Director
6.	Altab Uddin Kazi	10435916	Independent Director

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.

**For Nishant Darak & Associates**

Place: Hyderabad  
Date: 31.08.2024

Sd/-  
**Nishant Darak**  
M. No.: 71502; CP No. 26646  
UDIN: A071502F001090696  
Peer Review No.: 3486/2023



**CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE  
COMPANY**

To  
The Board of Directors  
**Vijay Textiles Limited**

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2024 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor 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. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
  - a. Significant changes in the internal control during the year;
  - b. Significant changes 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 of any employee having a significant role in the Company's internal control system.

For and on behalf of the Board  
**Vijay Textiles Limited**

Sd/-

**Vijay Kumar Gupta**  
Chairman & Managing Director  
(DIN:01050958)

Sd/-

**Rakesh Malhotra**  
Whole-Time Director & CFO  
(DIN: 05242639)

Place: Hyderabad  
Date: 31.07.2024

**DECLARATION ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I, Vijay Kumar Gupta, Chairman and Managing Director of Vijay Textiles Limited (“the Company”) hereby state and affirm compliance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management of the Company during Financial Year 2023-2024.

**For Vijay Textiles Limited**

Place: Hyderabad  
Date: 31.08.2024

Sd/-  
**Vijay Kumar Gupta**  
Chairman and Managing Director  
(DIN:01050958)

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.</b>	<b>No. of shareholders who approached the Company for transfer of shares from suspense account during the year.</b>	<b>No. of shareholders to whom shares were transferred from suspense account during the year.</b>	<b>Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.</b>
NIL	NIL	NIL	NIL

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:**

Not applicable. (Since, no such contracts were entered, which impact the management or control or impose any restriction or create any liability, binding the Company).

## INDEPENDENT AUDITOR'S REPORT

**TO  
THE MEMBERS OF VIJAY TEXTILES LIMITED**

**Report on the Audit of Financial Statements**

### **Qualified Opinion**

We have audited the Financial Statements of **Vijay Textiles Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the statement of profit and loss, including the statement of other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the "Basis for Qualified Opinion" paragraph, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Qualified Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

- A. The company's trade receivables as at balance sheet date amounts to Rs. 152.28 crores (as on March 31, 2023 – Rs. 156.88 crores) wherein the debtor's receivable overdue for period exceeding three years amounts to Rs. 150.11 crores (as on March 31, 2023 -Rs. 147.77 crores). We draw attention to Note number 5A & 24.18 to the financial Statements providing details with respect to actions implemented by management with respect to overdue trade receivables and recognition of expected credit loss. We further noted that the collections of trade receivables were made only for the dues ageing less than one year and balance ageing more than one year are accumulated since 31st March 2022.
- B. The company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") have become Non Performing asset. Post which regular business transactions were conducted through trust & retention account ("TRA") managed by SBI on behalf of company for both SBI & Axis. Validity of such operation was permitted up to July 31, 2022 after which all the banking transactions were freezed by the banks. Subsequent to the above event company has been issued demand notices by SBI and Axis under letter dated August 17, 2022 and September 09, 2022 respectively under section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") giving company a sixty days' time period to deposit the amounts due to the banks amounting to Rs. 72.84 Crores & Rs. 20.04 Crores (amounts specified are per the notices issued by respective banks after application of interest and penal charges upto the date of these notices).

Pursuant to the above, the company has submitted a proposal for compromise on November 10, 2022 for one time settlement of dues by making a payment of Rs.79.60 Crore (SBI: Rs.61.00 Crore & Axis: Rs. 18.60 Crore) as stipulated in the offer letter to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023, However, Company was unsuccessful to honor the compromise

agreement as on March 31, 2023. Subsequently SBI & Axis has revoked the compromise agreement as on April 29, 2023 and May 03, 2023. Company has submitted request for revival of the compromise agreement to banks but same is yet to confirmed by the respective banks.

As the TRA Account is freezed the company is managing its daily operations with the support of Promoter Directors.

- C. We draw attention to Note No.24.15 wherein the application filed by State Bank of India before Hon'ble National Company Law Tribunal [NCLT] Hyderabad bench under section 7 of Insolvency and Bankruptcy Code, 2016 in respect of dues payable to State bank of India & Axis Bank Limited, was rejected by the Hon'ble tribunal on 08th May 2024 without costs since same petition cannot be filed with two different authorities simultaneously and other grounds.
- D. We draw attention to Note No.24.15 wherein State Bank of India has also sued for recovery before Debt Recovery Tribunal under SARFAESI Act, 2002, proceedings for which are in progress and next date of hearing is fixed for 21st August 2024.
- E. We draw attention to Note No.24.16 wherein the company has received warrant of attachment of immovable property vide RC no. 175/ 2023 dated 13 March 2024 under Rule 48 of the second schedule to the Income Tax Act, 1961 read with the Recovery of Debts & Bankruptcy Act, 1993 which is listed for hearing before the Debt Recovery Tribunal for 21st August 2024.
- F. We draw attention to Note No.24.17 wherein company has received notice dated 24th April 2024 from the Advocate Commissioner appointed by the court of chief Judicial Magistrate has served warrant of commission issued u/s 24 of the SARFAESI Act, 2002 giving therein 15 days' notice & has taken possession of factory unit on 06 June 2024 in compliance of the said order of the court.
- G. The company has outstanding statutory dues of Rs. 77.46 lakhs as on 31st March 2024 (Customs – 20.14 lakhs, TDS – 37.67 lakhs, PF – 17.72 lakhs, ESI – 1.93 lakhs)
- H. The Company has outstanding payables to vendors of Rs. 24.15 crores out of which a total of Rs. 22.03 Crores is overdue for more than 180 days in payments to vendors against which input tax credit (ITC) has been claimed. These outstanding amounts are subject to reversal with an 18% interest charge due to non-compliance with ITC rules.

#### **Material uncertainty related to going concern**

- I. We draw attention to the accompanying financial Statements, which indicates that the company has incurred a net loss for the year ended March 31, 2024 - Rs.23.29 crores (for the year ended March 31, 2023 -Rs. 6.42 crores). The company has outstanding amount due to vendors for more than three years as on March 31, 2024 amounting to Rs.5.53 crores (as on March 31, 2023 – Rs. 6.09 crore) and repayment of loans due to banks amounts to Rs.72.5 crores, further the withdrawal of support from Banks and other indicators as listed above in the qualification paragraphs, indicate existence of material uncertainty on the company's ability to continue as a going concern.

#### **Emphasis of Matters**

- J. We draw attention to Note No. 24.9 wherein the company has derecognized available balance in deferred tax asset of Rs. 10.07 crore in accordance with IND AS 12 which states that deferred tax asset should be derecognized when it no longer probable that future taxable profits will be available against which DTA can be utilised.

#### **Other Information**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge

obtained in the audit or otherwise appears to be materially misstated. 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.

### **Responsibility of Management for the Financial Statements**

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

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

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

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

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

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

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

continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### 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 Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a. In our opinion, except as stated in basis of qualified opinion para we have 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, except as stated in basis of qualified opinion para, 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. Except as stated in the basis of qualified opinion, the Balance sheet, the statement of profit and loss (including the statement of other comprehensive income), the statement of cash flows and statement of changes in equity dealt with by this report are in agreement with the books of account;
  - d. In our opinion, except as stated in the basis of qualified opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - g. No managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors.
  - 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 24.1 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
- iv. (a) The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether,
  - a. directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether,
  - a. directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
- v. The company has not declared any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled.

For **SVD & Associates.**  
Chartered Accountants  
(Firm's Registration No. 015405S)

**Avinash Doba**  
(Partner)  
(Membership No. 232340)  
UDIN: 24232340BKEJOU5659

Place : Hyderabad  
Date: 31-07-2024

## **Annexure A to the Auditor's Report**

(Referred to in paragraph I under 'Report on other legal and regulatory requirements' section of our report of even date)

Re: Vijay textiles limited ("the company")

- (i). In respect of the company's Property, Plant and Equipment, and Intangible Assets:
- a. (A) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is maintaining proper records showing full particulars including quantitative details and situation of property plant & equipment.
  - (B) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is maintaining proper records showing full particulars of intangible assets.
  - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right of use of Assets) or Intangible assets during the year ended march 31<sup>st</sup>, 2024.
  - e. According to the information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transaction Prohibition Act 1988 and rules made thereunder.
- (ii). In respect of the company's Inventory:
- a. According to the information and explanation given to us, the inventories have been physically verified during the year by the management at reasonable intervals. In our opinion the coverage and the procedure of such verification by the management is appropriate.
  - b. According to the information and explanation given to us, the company has been sanctioned working capital limits of over five crore rupees, in aggregate, from banks and financial institutions based on the security of current assets; the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of accounts of the company.
- (iii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided 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 during the year. Accordingly, para 3(iii) (a), (b), (c), (d), (e), and (f) of the order are not applicable and hence not commented upon.
- (iv). According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.



- (v). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of Clause (v) of the Order is not applicable and hence not commented upon.
- (vi). According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable and hence not commented upon.
- (vii). a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and any other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and any other statutory dues were in arrears as at 31 March 2024, However the Statutory dues related to PF, ESI and TDS are outstanding for a period of more than six months as at 31 March 2024 from the date they became payable.

Particulars	Amount outstanding as on 31/3/2024
TDS	37.67 lakhs
PF	17.72 lakhs
ESI	1.93 lakh
Customs	20.14 lakhs

- b. According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of the Statute	Nature of Dues	Amount under dispute (in Rs.)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income-Tax	23,52,210	2019-20	National Faceless Appeals Centre

- (viii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix). a. According to the information and explanations given to us and based on our examination of the records, during the year, the company has defaulted in payments and loan accounts has been turned into NPA.

Nature of borrowing	Name of lender	Amount not paid on due date
Term Loan & Cash Credit	State Bank of India	Rs. 61 Crore (Due Date 31-3-2023)
Cash Credit	Axis bank	Rs. 18.60 Crore (Due date:31-3-2023)

- b. According to the information and explanations given to us, the company has not been declared a willful defaulter by any bank or financial institution or any other lenders. Therefore, Clause (ix)(b) of the Order does not apply to the Company and is hence not commented upon.

- c. According to the information and explanations given to us and based on the examination of records of the company, 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 based on the examination of records of the company, no funds raised on a short-term basis have been utilized for long-term purposes.
- e. According to the information and explanations given to us and based on the examination of records of the company, the company has not taken any funds from any entity or a person on account of or to meet the obligations of its subsidiaries, Associates or Joint ventures. Therefore, Clause (ix)(e) of the Order does not apply to the Company and hence is not commented upon.
- f. According to the information and explanations given to us and based on the examination of records of the company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Therefore, Clause (ix) (f) of the Order does not apply to the Company and hence is not commented upon.
- (x). a. According to the information and explanations given to us and based on the examination of records of the company, no money was raised by the way of an initial public offer or further public offer (including debt instruments) and hence not commented upon.
- b. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially optionally convertible) during the year. Accordingly, Clause (x)(b) of the Order is not applicable and hence not commented upon.
- (xi). a. According to the information and explanations given to us and based on our examination of the records of the Company, based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year. Accordingly, Clause (xi)(a) of the Order is not applicable and hence not commented upon.
- b. According to the information and explanations given to us and based on our examination of the records of the Company, no fraud has been reported during the year, hence the compliance with Clause (xi) (b) of the order is not applicable and hence not commented upon.
- c. According to the information and explanations given to us, there were no whistle-blower complaints in the company. Therefore, Para 3 (xi) (c) of the Order does not apply to the Company and hence is not commented upon.
- (xii). According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable and hence not commented upon.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 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. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv). In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi). a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable and hence not commented upon.

- b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable and hence not commented upon.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable and hence not commented upon.
- d. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable and hence not commented upon.
- (xvii) The Company has incurred cash losses in the current and in the immediately preceding financial year of Rs. 861.72 lakhs in FY 2023-24 and Rs.403.45 lakhs in FY 2022-23.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, Clause 3(xviii) of the Order is not applicable and hence not commented upon.
- (xix). As referred below to Basis for Qualified Opinion paragraph in our main audit report and as disclosed in note 23 and 24.16 to 24.18 to the financial statements which also includes financial ratios, ageing and realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors/Resolution Professional and management plans and based on our examination of the evidence supporting the assumptions, there exists a material uncertainty on the Company's ability to continue as a going concern as on the date of audit report and the capability of the Company for meeting its liabilities existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx). In our opinion and according to the information and explanations given to us, the company has an outstanding provision for CSR Expenses of Rs. 9,75,398/- pertaining to F.Y.2019-20 there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project, expect for the above.

For **SVD & Associates.**  
Chartered Accountants  
(Firm's Registration No. 015405S)

Place: Hyderabad  
Date: 31-07-2024

**Avinash Doba**  
(Partner)  
(Membership No. 232340)  
UDIN: 24232340BKEJOU5659

## **Annexure - B to the Auditor's Report**

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the members of Vijay textiles Limited)

Report on the Internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of **Vijay Textiles Limited** ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Managements Responsibility for internal financial controls**

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

### **Auditor's Responsibility**

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

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

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

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

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 with reference to Financial Statements**

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 with reference to Financial Statements were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established for the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issued by the Institute of Chartered Accountants of India.

For **SVD & Associates.**  
Chartered Accountants  
(Firm's Registration No. 015405S)

Place : Hyderabad  
Date : 31-07-2024

**Avinash Doba**  
(Partner)  
(Membership No. 232340)  
UDIN: 24232340BKEJOU5659

**NOTE I: MATERIAL ACCOUNTING POLICY INFORMATION****I.1. Corporate Information**

Vijay Textiles Limited (“the Company”) is a public limited company domiciled in India and incorporated under the Companies Act, 1956 replaced with Companies Act, 2013 (“Act”) w.e.f April 1, 2014. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in the manufacturing of Textiles.

**I.2. Basis of Preparation and Presentation**

The financial statements of the Company have been prepared in accordance with Indian Accounting standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies Accounting Standard (Amendment Rules 2016).

Rounding of amounts: All amount disclosed in these financial statements and notes have been rounded off in Rs. Lakhs as per the requirement of Schedule III, unless otherwise stated.

**I.3. PREPARATION OF FINANCIAL STATEMENTS****a) Basis of Accounting**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

Historical cost is generally based on 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2.

**b) Material accounting judgments, estimates and assumptions**

The preparation of the Company’s financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The management believes that the estimates used in preparation of financial statements is prudent and reasonable.

Estimates and underlying assumptions are reviewed at each reporting date. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and future period is affected.

**c) Current/ Non-Current Classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. 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:

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

The Company classifies all other liabilities as non-current.

#### **1.4. PROPERTY, PLANT AND EQUIPMENT**

Property, plant, and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, non-refundable taxes, and directly attributable cost of bringing the asset to its present location and condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Capital work in progress includes cost of property, plant and equipment under installation /under development as at the balance sheet date. Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and Gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence. The asset residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as “Capital Advance” under Other Non-Current Assets.

Depreciation on the property, plant and equipment is provided over the useful life of asset as specified in schedule II to the Companies Act 2013. Property, plant and equipment which are added/ disposed off during the year, depreciation is provided on pro rata basis with reference to the month of addition/deletion. Any Capital Expenditure costing Rs. 5,000/- or less are treated as a Revenue Expenditure and recognized in the statement of profit and loss in the year in which it is incurred.

Depreciation on assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold improvements are amortized over the duration of the lease.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably.

Intangible assets are stated at cost or acquisition less accumulated amortization and impairment loss, if any.

Intangible assets including software is amortized over their estimated useful life on straight line basis from the date they are available for intended use, subject to impairment test.

The estimated useful life of the intangible assets and the amortization period are reviewed at the end of each financial year and the amortization period is revised to reflect the changed pattern, if any.

##### **Subsequent cost**

Subsequent costs incurred for replacement of a major component of an asset should be included in the asset's carrying cost or recognized as a separate asset, as appropriate. The carrying value of the replaced component should be recognized to statement of Profit and Loss when replaced.

**Derecognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

**1.5. REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

**a) Other Income**

Revenue in respect of other income is recognized when a reasonable certainty as to its realization exists.

**1.6. LEASES**

As per Ind AS-116, the Company has recognized lease liabilities and corresponding equivalent right-of-use assets. The Company's lease asset classes primarily consist of leases for Land, Buildings, Plant & Machinery and Vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) The contract involves the use of an identified asset.
- (ii) The Company has substantially all the economic benefits from use of the asset through the period of the lease and
- (iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

- (a) Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statements of Profit and Loss on accrual basis.



- (b) Assets created on the leasehold property are depreciated over the period of the lease.

#### **I.7. INVENTORIES**

- (a) Raw Materials, work in progress, finished goods, packing materials, stores, spares, consumables, and stock-in-trade are carried at the lower of cost and net realizable value.
- (b) In determining cost of raw materials, packing materials, stock-in-trade, stores, spares and consumables, First-In-First-Out method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- (c) Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition.
- (d) Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

#### **I.8. RETIREMENT BENEFITS TO EMPLOYEE**

**(a) Defined Contribution Plan:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due.

**(b) Defined Benefit Plan:**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- (i) The date of the plan amendment or curtailment, and
- (ii) The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine Settlements; and
- (ii) Net interest expense or income.

#### **I.9. EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes)

relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e., average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate. to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the year, unless they have been issued at a later date.

#### **1.10. TAXATION**

Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

##### **(a) Current Income Tax:**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **(b) Deferred Tax:**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- (i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **1.11. IMPAIRMENT OF ASSETS**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

### **1.12. PROVISIONS AND CONTINGENCIES**

A provision is recognized when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

### **1.13. FINANCIAL INSTRUMENTS**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### **Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- (i) Debt instruments at amortized cost.
- (ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

- (iii) Debt instruments, derivatives, and equity instruments at fair value through profit or loss (FVTPL).
- (iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI).

**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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

**De-recognition**

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 consolidated balance sheet) when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) 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.

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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 as finance costs in the statement of profit and loss.

**De-recognition**

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 de-recognition 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.

**Fair Value Measurement**

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS.

**BALANCE SHEET AS AT  
31ST MARCH, 2024**



**TEXTILES LIMITED**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, plant and equipment	2A	4,506.61	4,784.25
(b) Capital work-in-progress		-	28.56
(c) Other Intangible asset	2B	0.75	0.75
(d) Right of use of asset	2C	219.19	379.87
(e) Other Non - Current Assets	3	221.41	215.91
(f) Deferred tax asset (Net)	10	-	1,015.36
<b>TOTAL NON - CURRENT ASSETS</b>		<b>4,947.96</b>	<b>6,424.70</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	4	10,427.30	10,361.58
(b) Financial Assets			
(i) Trade receivables	5A	15,228.40	15,688.47
(ii) Cash and cash equivalents	5B	1,188.32	726.41
(iii) Bank balance other than (ii) above	5C	17.48	16.68
(iv) Other Assets	5D	645.58	1556.93
(c) Other current Assets	6	1,926.65	500.42
<b>TOTAL CURRENT ASSETS</b>		<b>29,433.73</b>	<b>28,850.49</b>
<b>TOTAL ASSETS</b>		<b>34,381.69</b>	<b>35,275.19</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	7	1,830.53	1,830.53
(b) Other Equity		2,685.37	5,014.78
<b>TOTAL EQUITY</b>		<b>4,515.90</b>	<b>6,845.31</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	8A	15,291.78	14,841.62
(ia) Other Liabilities	9	346.71	470.61
<b>TOTAL NON - CURRENT LIABILITIES</b>		<b>15,638.49</b>	<b>15,312.23</b>

**BALANCE SHEET AS AT  
31ST MARCH, 2024** (Contd).



**TEXTILES LIMITED**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	Notes	As at 31.03.2024	As at 31.03.2023
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	I IA	6,199.94	6,199.94
(ia) Lease Liabilities	I ID	30.68	49.56
(ii) Trade payables	I IB		
total outstanding dues of micro and small enterprises and		134.06	137.57
total outstanding dues of creditors other than micro and small enterprises		2,281.46	2,121.87
(iii) Other financial liabilities other than those specified above	I IC	4,206.15	3,811.98
(b) Other current liabilities	I 2	977.43	342.73
(c) Provisions	I 3	397.58	454.00
<b>TOTAL CURRENT LIABILITIES</b>		<b>14,227.30</b>	<b>13,117.65</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,381.69</b>	<b>35,275.19</b>
<b>Significant accounting policies and notes on accounts</b>	I		

The accompanying notes form part of the financial Statements

As per our Report of even date attached

for **SVD & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 015405 S

Sd/-  
**Avinash Doba**  
Partner  
Membership No: 232340

Place: Hyderabad  
Date: 31.07.2024

For and on behalf of the Board of Directors of

**Vijay Textiles Limited**

CIN : L18100TG1990PLC010973

Sd/-  
**Vijay Kumar Gupta**  
Chairman & Managing Director  
DIN:01050958

Place: Hyderabad  
Date: 31.07.2024

Sd/-  
**Rakesh Malhotra**  
Whole Time Director & CFO  
DIN:05242639

Place: Hyderabad  
Date: 31.07.2024

Sd/-  
**Susheel Kumar Gupta**  
Executive Director  
DIN:00362714

Place: Hyderabad  
Date: 31.07.2024

Sd/-  
**Yogesh Dayama**  
Company Secretary  
M.No: A70654

Place: Hyderabad  
Date: 31.07.2024

**STATEMENT OF PROFIT & LOSS FOR  
THE PERIOD ENDED  
31ST MARCH, 2024**



**TEXTILES LIMITED**

(All Amounts in Rs.in Lakhs unless otherwise specified)

Particulars	Notes	For the year 31.03.2024	For the year 31.03.2023
<b>INCOME</b>			
Revenue from Operations	14	1,342.07	2,573.02
Other Income	15	56.89	53.51
<b>TOTAL INCOME</b>		<b>1,398.96</b>	<b>2,626.53</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	16	20.45	345.46
Purchase of Stock -in -Trade		747.79	218.42
Packing Material Consumed	17	2.40	7.89
Changes in Inventories of Finished Goods and Work -in-Progress	18	(105.26)	524.83
Manufacturing Expenses	19	95.53	359.34
Employee Benefit Expenses	20	266.51	459.85
Finance Costs	21	867.39	774.05
Depreciation and Amortization Expenses	2A & 2B	482.83	502.54
Other Expenses	22A	365.89	340.14
<b>TOTAL EXPENSES</b>		<b>2,743.53</b>	<b>3,532.52</b>
<b>Profit/(loss) before tax</b>		<b>(1,344.57)</b>	<b>(905.99)</b>
<b>TAX EXPENSES</b>			
(a) Current tax		-	-
(b) Deferred tax		1,007.68	(253.47)
<b>TOTAL TAX EXPENSES</b>		<b>1,007.68</b>	<b>(253.47)</b>
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		<b>(2,352.25)</b>	<b>(652.52)</b>



**STATEMENT OF PROFIT & LOSS FOR  
THE PERIOD ENDED  
31ST MARCH, 2024 (Contd).**



**TEXTILES LIMITED**

(All Amounts in Rs.in Lakhs unless otherwise specified)

Particulars	Notes	For the year 31.03.2024	For the year 31.03.2023
<b>Other Comprehensive Income</b>			
<b>(i) Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurement of the net defined benefit liability/assets		30.52	13.59
Less: Deferred Tax ( Actuarial Gain / Loss )		(7.68)	(3.42)
<b>(ii) Items that will be reclassified subsequently to profit or loss</b>			
<b>Total other comprehensive income, net of taxes</b>		<b>22.84</b>	<b>10.17</b>
<b>Total Income for the period</b>		<b>(2,329.41)</b>	<b>(642.35)</b>
<b>Earnings per equity share</b>			
Equity share of par value Rs. 10/- each			
Basic(Rs.)	22B	(12.85)	(3.56)
Diluted(Rs.)	22B	(12.85)	(3.56)
<b>Significant accounting policies and notes on accounts</b>	I		

The accompanying notes form part of the financial Statements

*As per our Report of even date attached*

**for SVD & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 015405 S

Sd/-

**Avinash Doba**

Partner

Membership No: 232340

Place: Hyderabad

Date: 31.07.2024

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

**Vijay Textiles Limited**

CIN : LI8100TG1990PLC010973

Sd/-

**Vijay Kumar Gupta**

Chairman & Managing Director

DIN:01050958

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Rakesh Malhotra**

Whole Time Director & CFO

DIN:05242639

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Susheel Kumar Gupta**

Executive Director

DIN:00362714

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Yogesh Dayama**

Company Secretary

M.No: A70654

Place: Hyderabad

Date: 31.07.2024

**CASH FLOW STATEMENT**  
**YEAR ENDED 31ST MARCH, 2024**



**TEXTILES LIMITED**

(All Amounts in Rs.in Lakhs unless otherwise specified)

Particulars	Year 2023-2024		Year 2022-2023	
<b>A. Cash Flow From Operating Activities</b>				
<b>Net profit before tax</b>		(1,344.56)		(905.99)
<b>Adjusted for</b>				
Depreciation	482.83		502.54	
Finance Costs	856.03		765.92	
Re-measurement gains/(losses) on employment defined benefit plans	30.52		13.59	
Loss / (Profit) on sale of fixed assets (net)	-		5.54	
Lease Modification	(41.34)		(20.98)	
Excess provision written back	-		(23.80)	
Interest Income	(8.99)		(7.21)	
		1,319.05		1,235.60
<b>Operating Profit Before Working Capital Changes</b>		<b>(25.51)</b>		<b>329.61</b>
<b>Working Capital changes adjusted for</b>				
Trade Receivables	460.07		(406.86)	
Other financial and non financial assets	(520.39)		(44.08)	
Short Term provision	(56.41)		(3.78)	
Inventories	(65.72)		662.96	
Trade Payables	156.09		189.65	
Other financial and non financial liabilities	634.72		263.46	
		608.36		661.35
<b>Cash Generated From Operations</b>		<b>582.85</b>		<b>990.96</b>
Direct Taxes Paid		-		-
<b>Net Cash Flow From Operating Activities (A)</b>		<b>582.85</b>		<b>990.96</b>

**CASH FLOW STATEMENT**  
YEAR ENDED 31ST MARCH, 2024 Contd).



**TEXTILES LIMITED**

<b>B. Cash Flow From Investing Activities</b>			
Purchase Of Fixed Assets	(4.68)	(15.05)	
Proceeds from sale of fixed assets	-	25.93	
Interest income received	8.99	9.68	
<b>Net Cash Used In Investing Activities (B)</b>		<b>4.31</b>	<b>20.56</b>
<b>C. Cash Flow From Financing Activities</b>			
Working Capital Borrowings	-	(179.94)	
Net proceeds from long term borrowings	450.16	172.34	
Interest Paid	(413.36)	(175.06)	
Payment of Lease Liability	(161.25)	(229.49)	
<b>Net Cash Used In Financing Activities (C)</b>		<b>(124.45)</b>	<b>(412.15)</b>
<b>Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)</b>		<b>462.72</b>	<b>599.37</b>
<b>Opening Cash And Cash Equivalents</b>		<b>743.09</b>	<b>143.72</b>
<b>Closing Cash And Cash Equivalents*</b>		<b>1,205.81</b>	<b>743.09</b>

The accompanying notes form part of the financial Statements

\*Includes unclaimed dividend amounts and Term deposits given on behalf of bank guaranties

As per our Report of even date attached

for **SVD & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 015405 S

Sd/-

**Avinash Doba**

Partner

Membership No: 232340

Place: Hyderabad

Date: 31.07.2024

For and on behalf of the Board of Directors of

**Vijay Textiles Limited**

CIN : L18100TG1990PLC010973

Sd/-

**Vijay Kumar Gupta**

Chairman & Managing Director

DIN:01050958

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Rakesh Malhotra**

Whole Time Director & CFO

DIN:05242639

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Susheel Kumar Gupta**

Executive Director

DIN:00362714

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Yogesh Dayama**

Company Secretary

M.No: A70654

Place: Hyderabad

Date: 31.07.2024

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

(All Amounts in Rs.in Lakhs unless otherwise specified)

**(a) Equity Share Capital**

Particulars	
<b>Balance as at 1st April, 2023</b>	<b>1,830.50</b>
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2023	1,830.50
Changes in equity share capital during the year	-
<b>Balance as at 31st March, 2024</b>	<b>1,830.50</b>
<b>Balance as at 1 April, 2022</b>	<b>1,830.50</b>
Changes in Equity Share Capital due to prior period errors	-
Restated Balance as at April 1, 2022	1,830.50
Changes in equity share capital during the year	-
<b>Balance as at 31st March, 2023</b>	<b>1,830.50</b>

**(b) Other Equity**

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Capital reserve	Share warrants forfeiture	Other comprehensive income	Total Other Equity
<b>Balance as on 1st April, 2023</b>	<b>5,894.13</b>	<b>2,994.39</b>	<b>-4,436.46</b>	<b>170.00</b>	<b>383.00</b>	<b>9.71</b>	<b>5,014.78</b>
Changes in Accounting Policy or Prior period errors	-	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2023</b>	<b>5,894.13</b>	<b>2,994.39</b>	<b>-4,436.46</b>	<b>170.00</b>	<b>383.00</b>	<b>9.71</b>	<b>5,014.78</b>
Add : Premium on Shares issued during the quarter	-	-	-	-	-	-	-
Less : Equity Dividend	-	-	-	-	-	-	-
Less : Dividend Distribution Tax	-	-	-	-	-	-	-
Less : Adjustment of share warrants	-	-	-	-	-	-	-
Profit and loss during period	-	-	-2,352.25	-	-	-	-2,352.25
Actuarial Gain / Loss	-	-	-	-	-	30.52	30.52
Deferred Tax on adjustments	-	-	-	-	-	-7.68	-7.68
<b>Balance as at 31st March, 2024</b>	<b>5,894.13</b>	<b>2,994.39</b>	<b>-6,788.71</b>	<b>170.00</b>	<b>383.00</b>	<b>32.55</b>	<b>2,685.37</b>

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

(All Amounts in Rs.in Lakhs unless otherwise specified)

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Capital reserve	Share warrants forfeiture	Other comprehensive income	Total Other Equity
<b>Balance as on 1st April, 2022</b>	5,894.13	2,994.39	-3,783.93	170.00	383.00	-0.46	5,657.13
Changes in Accounting Policy or Prior period errors	-	-	-	-	-	-	-
<b>Restated Balance as at April 1, 2022</b>	5,894.13	2,994.39	-3,783.93	170.00	383.00	-0.46	5,657.13
Add : Premium on Shares issued during the quarter	-	-	-	-	-	-	-
Less : Equity Dividend	-	-	-	-	-	-	-
Less : Dividend Distribution Tax	-	-	-	-	-	-	-
Less : Adjustment of share warrants	-	-	-	-	-	-	-
Profit and loss during period	-	-	-652.52	-	-	-	-652.52
Actuarial Gain / Loss	-	-	-	-	-	13.59	13.59
Deferred Tax on adjustments	-	-	-	-	-	-3.42	-3.42
<b>Balance as at 31st March, 2023</b>	5,894.13	2,994.39	-4,436.45	170.00	383.00	9.71	5,014.78

The accompanying notes form part of the financial Statements  
As per our Report of even date attached

## for SVD & ASSOCIATES

Chartered Accountants

Firm's Registration Number: 015405 S

Sd/-

**Avinash Doba**

Partner

Membership No: 232340

Place: Hyderabad

Date: 31.07.2024

For and on behalf of the Board of Directors of  
Vijay Textiles Limited

CIN : L18100TG1990PLC010973

Sd/-

**Vijay Kumar Gupta**

Chairman & Managing Director

DIN:01050958

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Susheel Kumar Gupta**

Executive Director

DIN:00362714

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Rakesh Malhotra**

Whole Time Director & CFO

DIN:05242639

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Yogesh Dayama**

Company Secretary

M.No: A70654

Place: Hyderabad

Date: 31.07.2024

NOTES TO FINANCIAL STATEMENTS



TEXTILES LIMITED

**NOTE 2A & 2B : PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS:**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2023	Additions/ Adjustment	Deletion/ Adjustment	As at 31.03.2024	As at 01.04.2023	For P & L	Deletion/ Adjustment	As at 31.03.2024	As at 31.03.2023
<b>Tangible Assets: 2A</b>									
Land	748.52	-	-	748.52	-	-	-	748.52	748.52
Building	1,815.05	28.55	-	1,843.60	738.42	53.29	-	791.71	1,051.89
Lease Hold Property	607.83	-	-	607.83	387.79	25.76	-	413.55	194.28
Plant & Machinery	5,148.62	-	-	5,148.62	2,712.47	178.81	-	2,891.27	2,257.35
Electrical Installation	768.08	2.78	-	770.86	709.49	6.51	-	716.01	54.85
Furniture & Fixtures	2,792.17	0.25	-	2,792.42	2,571.99	38.43	-	2,610.42	182.00
Office Equipment	38.54	-	-	38.54	36.52	0.03	-	36.55	1.99
Vehicles	216.14	-	-	216.14	198.37	7.02	-	205.39	10.75
Computers	31.38	1.66	-	33.03	27.03	1.02	-	28.05	4.97
<b>Sub Total (A)</b>	<b>12,166.33</b>	<b>33.24</b>	<b>-</b>	<b>12,199.56</b>	<b>7,382.08</b>	<b>310.87</b>	<b>-</b>	<b>7,692.95</b>	<b>4,784.25</b>
<b>Capital Work In Progress</b>	<b>28.56</b>	<b>-</b>	<b>28.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.56</b>
<b>Other Intangible Assets: 2B</b>									
Computer - Software	15.13	-	-	15.13	14.38	-	-	14.38	0.75
<b>Sub Total (B)</b>	<b>15.13</b>	<b>-</b>	<b>-</b>	<b>15.13</b>	<b>14.38</b>	<b>-</b>	<b>-</b>	<b>14.38</b>	<b>0.75</b>
<b>TOTAL(A+B)</b>	<b>12,210.02</b>	<b>33.24</b>	<b>28.56</b>	<b>12,214.69</b>	<b>7,396.46</b>	<b>310.87</b>	<b>-</b>	<b>7,707.33</b>	<b>4,813.56</b>
<b>Note 2C : Right of use of Assets</b>									
Building	1,087.35	-	21.75	1,065.60	707.49	171.96	33.04	846.41	379.87
<b>Grand Total</b>	<b>1,087.35</b>	<b>-</b>	<b>21.75</b>	<b>1,065.60</b>	<b>707.49</b>	<b>171.96</b>	<b>33.04</b>	<b>846.41</b>	<b>379.87</b>

Note:-

- Capital work in progress has been capitalised during the year

**NOTE 3 : OTHER NON-CURRENT FINANCIAL ASSETS**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Unsecured, considered good</b>		
<b>Deposits:</b>		
With Govt.Bodies	65.97	65.97
Other than Govt.Bodies		
Rent	143.71	145.21
With suppliers	11.73	4.73
<b>TOTAL</b>	<b>221.41</b>	<b>215.91</b>

**NOTE 4 : INVENTORIES**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(At lower of cost or Net realisable value)</b>		
Raw-Material	456.66	464.79
Work- in- Progress	-	29.44
Finished Goods	9,796.98	9,662.28
Stores & Consumables	173.66	205.07
<b>TOTAL</b>	<b>10,427.30</b>	<b>10,361.58</b>

**FINANCIAL ASSETS:**

**NOTE 5A : TRADE RECEIVABLES**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Unsecured, Considered Good</b>		
Outstanding for a period exceeding six months	15,176.61	15,077.58
Others	51.79	610.89
<b>TOTAL</b>	<b>15,228.40</b>	<b>15,688.47</b>
Significant increase in Credit Risk	-	-
<b>TOTAL</b>	<b>15,228.40</b>	<b>15,688.47</b>
Credit Impaired	-	-
<b>GRAND TOTAL</b>	<b>15,228.40</b>	<b>15,688.47</b>

**Trade Receivables ageing schedule 31.03.2024:** (All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	Outstanding for following periods from due date of					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	51.79	45.89	92.75	26.64	15,011.33	15,228.40
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

**Trade Receivables ageing schedule 31.03.2023:**

Particulars	Outstanding for following periods from due date of					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	610.89	39.88	26.28	233.87	14,777.55	15,688.47
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

**Notes :**

Management has performed a detailed review and reached out to all its debtors with regards to the long out standing balances. Considering the long association debtors have given their assurance that the amount owed to the company will be surely repaid. As a result management is of the opinion that there is no requirement of provision for expected credit loss towards the recovery from debtors. Further efforts are being made for expediting recovery from long overdue debtors. As a result the management is of the opinion there is no significant credit loss for the existing debtors out-standing and accordingly provisions are not made for the same.



**NOTE 5B : CASH AND CASH EQUIVALENTS**

(All Amounts in Rs. in Lakhs unless otherwise specified)

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Cash on Hand	456.91	229.68
Bank Balance with Scheduled Banks		
- In Current Accounts	731.41	496.73
<b>TOTAL</b>	<b>1,188.32</b>	<b>726.41</b>

**NOTE 5C : Bank balance other than Cash and Equivalents**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
In Unclaimed Dividend Accounts	1.49	1.49
In Term Deposit Account	15.99	15.19
<b>TOTAL</b>	<b>17.48</b>	<b>16.68</b>

Term deposits are held as margin money against Bank Guarantees.

**NOTE 5D : OTHER ASSETS**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Receivable against cancellation of Tech-Park Project	-	1479.92
Supplier Advances	645.58	77.01
<b>TOTAL</b>	<b>645.58</b>	<b>1556.93</b>

**NOTE 6 : OTHER CURRENT ASSETS**

<b>Particulars</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
Advances for Supplies and Services	391.01	418.03
Receivable against cancellation of Tech-Park Project	1,479.92	-
Pre Paid Expenses	16.37	18.93
Income Tax Receivable	25.76	51.07
Loans and Advances to Employees	7.42	5.84
Other Current Assets	6.17	6.55
<b>TOTAL</b>	<b>1,926.65</b>	<b>500.42</b>

**NOTE 7 : EQUITY SHARE CAPITAL**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Authorised Capital</b>		
2,03,00,000 (Previous Year : 2,03,00,000) Equity Shares of Rs.10/- each	2,030.00	2,030.00
53,00,000 (Previous year 53,00,000) 0.10% Non-Convertible Cumulative Redeemable Preference Shares of Rs.100/- each	5,300.00	5,300.00
<b>TOTAL</b>	<b>7,330.00</b>	<b>7,330.00</b>
<b>Issued, Subscribed and Paid-Up Capital</b>		
1,83,05,000 (Previous Year : 1,83,05,000) Equity Shares of Rs10/- each	1,830.50	1,830.50
Share Forfeiture	0.03	0.03
<b>TOTAL</b>	<b>1,830.53</b>	<b>1,830.53</b>

Notes

**(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Issued, Subscribed and Paid-Up Capital</b>		
At the beginning of the period	1,830.50	1,830.50
Issued during the period	-	-
<b>At the closing of the period</b>	<b>1,830.50</b>	<b>1,830.50</b>

**b) Details of Shareholders holding more than 5% equity shares in the Company:**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number of Shares	%	Number of Shares	%
Equity Share of Rs. 10/- each held by				
Shri Vijay Kumar Gupta	78.63	42.96	78.63	42.96
Shri Susheel Kumar Gupta	40.20	21.96	40.20	21.96

**(c) Shares held by promoters at the end of the year. 31st March 2024:**

Promoter Name	No. of shares	% of total shares	% Change during the year
Shri Vijay Kumar Gupta	78.63	42.96	Nil
Shri Susheel Kumar Gupta	40.20	21.96	Nil

(All Amounts in Rs. in Lakhs unless otherwise specified)

**Disclosure of Shareholding of Promoters**

Disclosure of Shareholding of Promoters as at 31st March,2024 is as follows:

Promoter Name	Shares held by promoters				% Change during the year
	As at 31st March,2024		As at 31st March,2023		
	No of shares	% of total shares	No of shares	% of total shares	
Shri Vijay Kumar Gupta	78.63	42.96	78.63	42.96	Nil
Shri Susheel Kumar Gupta	40.20	21.96	40.20	21.96	Nil

Disclosure of Shareholding of Promoters as at 31st March,2023 is as follows:

Promoter Name	Shares held by promoters				% Change during the year
	As at 31st March,2024		As at 31st March,2023		
	No of shares	% of total shares	No of shares	% of total shares	
Shri Vijay Kumar Gupta	78.63	42.96	78.63	38.90	32.20
Shri Susheel Kumar Gupta	40.20	21.96	40.20	21.06	24.85

**d) Rights, Preference and restrictions to Equity Shares:**

The Company has only one class of equity shares having a par value of Rs.10,- each per share and the holder of the equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the share holders in the Annual General Meeting except in the case of interim dividend. In the event of liquidation of the Company the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the member of equity shares held.

**NOTE 8A : BORROWINGS**

	As at 31.03.2024	As at 31.03.2023
<b>A. Secured</b>		
Term Loan From Banks ( Refer Note I )	-	-
Sub-Total	-	-
<b>B. Unsecured</b>		
Loans and Advances from other related parties ( Refer Note III )	15,291.78	14,841.62
Sub-Total	<b>15,291.78</b>	<b>14,841.62</b>
<b>TOTAL</b>	<b>15,291.78</b>	<b>14,841.62</b>

Notes:

**(I) Term Loans from banks namely State Bank of India and Axis Bank Limited, are secured by :**

- (a) First pari passu charge on all the immovable and movable Fixed Assets present and future of the Company.
- (b). Second pari passu charge on all the current assets of the Company (excluding credit card receivables).
- (c). Further the terms loans are collaterally secured by;
  - (i) Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta,Shri Vijay Kumar Gupta(HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.
  - (ii) Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
  - (iii) Personal Guarantees of Mr. Vijay Kumar Gupta,Vijay Kumar Gupta HUF, Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.
  - (iv) Term -II and FITL-II of State Bank of India is secured by exclusive charge on credit card receivables and collateral security as pari passu first charge on the fixed assets of the Company present and future.

**II) Terms of Repayment:**

- I State Bank of India - Term Loan - II ,III, IV and FITL have been become due for repayment on 31.12.2021 and present rate of interest charged as these accounts is @11.55% p.a

**III) Unsecured Loans From Related Parties:**

- I Unsecured Loans are from Shri.Vijay Kumar Gupta, Chairman and Managing Director and Shri. Susheel Kumar Gupta, Executive Director of the Company repayable over a period of 5 years ending on 15th April, 2027.

**(IV) Repayment of Term Loan**

- I The Company had submitted a proposal on November,10, 2022, for one time settlement of dues by making payment of Rs.79.60 Crores (SBI Rs.61.00 Crores and Axis Bank Rs.18.60 Crores) as stipulated in the offer letter to be completed by 15th March,2023. Wherein the Company received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated 25th January,2023 and 27th January,2023 respectively to its compromise proposal submitted on 10th November, 2022 for one time settlement of bank dues of Rs.79.69 Crores to be paid by the 31st March,2023. However, Company was unsuccessful to honor the compromise agreement by 31st March, 2023 and SBI & Axis bank had revoked the compromise agreement on 29th April,2023 and 3rd May,2023 respectively. However, the Company has repaid Rs.13.52 Crores (Rs.6.27 Crore in FY 2022-23 and Rs.7.25 Crore in FY 2023-24) to the banks so far.

**NOTE 9 : OTHER NON CURRENT LIABILITY**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for lease liability	273.47	470.61
Provision for Gratuity	73.24	-
Closing Balance	<b>346.71</b>	<b>470.61</b>

**NOTE 10 : DEFERRED TAX (NET)**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	As at 31.03.2024	As at 31.03.2023
At the beginning of the year	1,015.36	765.31
Charged to P&L	(1,007.68)	-
Charged to OCI	(7.68)	-
Provision for the year	-	250.05
Closing Balance	<b>0.00</b>	<b>1,015.36</b>

**NOTE 11A : BORROWINGS**

	As at 31.03.2024	As at 31.03.2023
Working Capital Borrowings from Banks (secured)	6,199.94	6,199.94
<b>TOTAL</b>	<b>6,199.94</b>	<b>6,199.94</b>

**Notes :**

Working Capital facilities availed by the Company from State Bank of India and Axis Bank Limited are carrying are secured by:

- Pari-Passu first charge on all chargeable current assets of the Company in favour of State Bank of India and Axis Bank Limited (excluding credit card receivables, which are charged to State Bank of India alone and are separately dealt with herein).
- Pari-Passu second charge on entire Fixed Assets of the Company, both present and future.  
Further the Working Capital facilities are collaterally secured by :
  - Commercial space admeasuring 5108.75 sft, bearing shop Nos: 8,9,11 and 13, situated in Ground Floor, Surya Towers, 104, S.P.Road, Secunderabad-500 003,standing in the names of Shri Vijay Kumar Gupta,Shri Vijay Kumar Gupta (HUF), Shri Susheel Kumar Gupta and Smt.Shashikala Gupta.
  - Pledge of entire shares held by Promoters i.e. Shri Vijay Kumar Gupta, Shri Susheel Kumar Gupta, Smt Shashikala Gupta.
  - Personal Guarantees of Mr. Vijay Kumar Gupta,Vijay Kumar Gupta HUF, Mr. Susheel Kumar Gupta and Mrs. Shashikala Gupta. Guarantee limited to the value of the security mortgaged.

**NOTE 11B : TRADE PAYABLES**

	As at 31.03.2024	As at 31.03.2023
(a) total outstanding dues of micro and small enterprises and	134.06	137.57
(b) total outstanding dues of creditors other than micro and small enterprises	2,281.46	2,121.87
<b>TOTAL</b>	<b>2,415.52</b>	<b>2,259.44</b>

**Note :**

The information has been given in respect of such vendors to the extent they could be identified as Micro and Small enterprises on the basis of information available with the company on records.

\* The amount mentioned is principal only.

(All Amounts in Rs. in Lakhs unless otherwise specified)

**Trade Payables ageing schedule as on 31-03-2024:**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	1.01	19.17	96.94	16.94	134.06
(ii) Others	504.39	472.57	455.73	848.77	2,281.46
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>505.40</b>	<b>491.74</b>	<b>552.67</b>	<b>865.71</b>	<b>2,415.52</b>

**Trade Payables ageing schedule as on 31-03-2023:**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	19.17	100.37	18.03	-	137.57
(ii) Others	808.35	531.64	172.22	609.66	2,121.87
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>827.52</b>	<b>632.01</b>	<b>190.25</b>	<b>609.66</b>	<b>2,259.44</b>

**Notes :**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the reporting date has been made in the financial statements based on information received and available with the Company. Further, in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

**Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	31-Mar-24	31-Mar-23
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the period:		
- Principal	134.05	137.57
- Interest	77.08	24.70
ii) The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed date during the period.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	31-Mar-24	31-Mar-23
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	110.42	26.79
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under Section 23 of the MSMED Act.	8.64	8.64

**NOTE 11C : OTHER FINANCIAL LIABILITIES**

Particulars	As at 31.03.2024	As at 31.03.2023
Term Loan payments due less than 12 months	1,050.62	1,050.62
Interest Payable and accrued	3,043.88	2,649.73
Unclaimed Dividend	1.49	1.49
Other Liabilities	110.16	110.14
<b>TOTAL</b>	<b>4,206.15</b>	<b>3,811.98</b>

Note: Please refer to notes under Note:8A for details of repayment of loans and securities charged to the lenders.

**NOTE 11D : LEASED LIABILITIES**

Particulars	As at 31.03.2024	As at 31.03.2023
Leased Liability rent payment due less than 12 months	30.68	49.56
<b>TOTAL</b>	<b>30.68</b>	<b>49.56</b>

**NOTE 12 : OTHER CURRENT LIABILITIES**

Particulars	As at 31.03.2024	As at 31.03.2023
Other Liabilities	977.43	342.73
<b>TOTAL</b>	<b>977.43</b>	<b>342.73</b>

**NOTE 13 : PROVISIONS**

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for CSR Expenses	9.75	9.75
Provision for Employee Benefit Expenses	87.52	180.47
Provision for Expenses Payable	300.31	263.78
<b>TOTAL</b>	<b>397.58</b>	<b>450.00</b>

**NOTE 14 : REVENUE FROM OPERATIONS**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	For the period 31.03.2024	For the period 31.03.2023
<b>REVENUE FROM OPERATIONS :</b>		
Cloth Sales - State	1,237.73	1,632.70
Cloth Sales - Int. State	69.41	675.68
<b>Sub- Total</b>	<b>1,307.14</b>	<b>2,308.38</b>
<b>Other Operating Revenue</b>		
Job Work Charges Received	34.93	264.64
<b>Sub- Total</b>	<b>34.93</b>	<b>264.64</b>
<b>TOTAL</b>	<b>1,342.07</b>	<b>2,573.02</b>

**NOTE 15 : OTHER INCOME**

Particulars	For the period 31.03.2024	For the period 31.03.2023
Interest Received	8.99	7.21
Miscellaneous Income	4.97	1.52
Interest on Income Tax	1.59	-
Excess Provision written back	-	23.80
Profit on lease	41.34	20.98
<b>TOTAL</b>	<b>56.89</b>	<b>53.51</b>

**NOTE 16 : COST OF RAW MATERIALS CONSUMED**

Particulars	For the period 31.03.2024	For the period 31.03.2023
Opening Stock	464.79	576.52
Add: Purchases	12.32	233.73
	<b>477.11</b>	<b>810.25</b>
Less: Closing Stock	456.66	464.79
<b>Consumption</b>	<b>20.45</b>	<b>345.46</b>

**NOTE 17 : PACKING MATERIAL CONSUMED**

Particulars	For the period 31.03.2024	For the period 31.03.2023
Opening Stock	1.25	4.35
Add: Purchases	1.15	4.79
	<b>2.40</b>	<b>9.14</b>
Less: Closing Stock	-	1.25
<b>Consumption</b>	<b>2.40</b>	<b>7.89</b>



**NOTE 18 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	For the period 31.03.2024	For the period 31.03.2023
<b>A. OPENING STOCK</b>		
Finished Goods	9,662.28	10,175.04
Stock in Process	29.44	41.51
<b>TOTAL (A)</b>	<b>9,691.72</b>	<b>10,216.55</b>
<b>B. CLOSING STOCK</b>		
Finished Goods	9,796.98	9,662.28
Stock in Process	-	29.44
<b>TOTAL (B)</b>	<b>9,796.98</b>	<b>9,691.72</b>
<b>Net Increase/(Decrease) in Stocks (A-B)</b>	<b>-105.26</b>	<b>524.83</b>

**NOTE 19 : MANUFACTURING EXPENSES**

Particulars	For the period 31.03.2024	For the period 31.03.2023
<b>Rice Husk</b>		
Opening Balance	0.93	16.55
Add : Purchases	3.89	141.10
	<b>4.82</b>	<b>157.65</b>
Less : Closing Balance	-	0.93
<b>Consumption of Rice Husk (A)</b>	<b>4.82</b>	<b>156.72</b>
<b>Design &amp; Development</b>		
Opening Balance	176.52	175.54
Add : Purchases	-	2.32
	<b>176.52</b>	<b>177.86</b>
Less : Closing Balance	149.03	176.52
<b>Consumption of Design &amp; Development (B)</b>	<b>27.49</b>	<b>1.34</b>
<b>Stores &amp; Consumables</b>		
Opening Balance	25.29	33.41
Add : Purchases	0.81	15.62
Add : Electrical Items	0.24	0.88
	<b>26.34</b>	<b>49.91</b>
Less : Closing Balance	23.71	25.29
<b>Consumption of Stores &amp; Consumables (C)</b>	<b>2.63</b>	<b>24.62</b>

(All Amounts in Rs. in Lakhs unless otherwise specified)

<b>Particulars</b>	<b>For the period 31.03.2024</b>	<b>For the period 31.03.2023</b>
Carriage & Freight (D)	4.46	10.33
Power & Fuel ( E )	42.17	128.78
Other Manufacturing Expenses (F )	11.56	28.92
Effluent Treatment Plant Expenses (G)	2.40	8.63
<b>Grand Total ( A to G)</b>	<b>95.53</b>	<b>359.34</b>

**NOTE 20 : EMPLOYEE BENEFIT EXPENSES**

<b>Particulars</b>	<b>For the period 31.03.2024</b>	<b>For the period 31.03.2023</b>
Managerial Remuneration	-	12.00
Office Staff Salaries	131.48	137.42
Factory Wages & Salaries	61.10	222.08
Employees Benefits	27.34	35.22
Incentives	11.10	15.66
Gratuity expenses	19.92	9.21
Contribution to PF and E.S.I	15.57	28.26
<b>TOTAL</b>	<b>266.51</b>	<b>459.85</b>

**NOTE 21 : FINANCE COSTS**

<b>Particulars</b>	<b>For the period 31.03.2024</b>	<b>For the period 31.03.2023</b>
Interest Charges	807.51	694.56
Interest on Leased Liability	48.52	71.36
Bank and Finance Charges	11.36	8.13
<b>TOTAL</b>	<b>867.39</b>	<b>774.05</b>

**NOTE 22A : OTHER EXPENSES**

<b>Particulars</b>	<b>For the period 31.03.2024</b>	<b>For the period 31.03.2023</b>
Lease Rental Charges	1.14	6.20
Taxes, Licences & Fees	48.72	14.78
Printing & Stationery	2.48	3.16
Postage & Telephones	5.56	7.81
Office Electricity & Water	97.39	109.89
Travelling & Conveyance	20.60	24.39
Advertisement & Publicity	1.38	1.19

# NOTES TO FINANCIAL STATEMENTS



# TEXTILES LIMITED

(All Amounts in Rs. in Lakhs unless otherwise specified)

Particulars	For the period 31.03.2024	For the period 31.03.2023
Agents commission	0.29	2.12
Selling Expenses	2.94	12.61
Insurance	23.57	25.24
Remuneration to Auditors :		
Audit Fees	3.50	3.50
Tax Audit Fees	1.00	1.00
Directors' Sitting Fees	1.90	1.45
Legal & Professional Charges	9.64	10.99
Repairs to Plant & Machinery	0.99	5.58
Repairs to Buildings	1.86	5.00
Repairs to Other Assets	21.83	27.26
Vehicle Maintenance	15.17	25.08
Miscellaneous Expenses	20.21	14.01
Loss on Sale of Assets	-	5.54
Provision for Interest on MSME Vendors	85.72	33.34
<b>TOTAL</b>	<b>365.89</b>	<b>340.14</b>

## NOTE 22B : EARNINGS PER SHARE

Particulars	For the period 31.03.2024	For the period 31.03.2023
Earnings		
Net profit / (Loss) for the period	(2352.24)	(652.52)
<b>Shares</b>		
Weighted average number of Equity Shares outstanding during the period	183.05	183.05
<b>Earnings per share of par value Rs. 10/- Basic (Rs)</b>	<b>(12.85)</b>	<b>(3.56)</b>
Weighted average number of Equity Shares outstanding during the period for Diluted EPS	183.05	183.05
<b>Earnings per share of par value Rs. 10/- Diluted (Rs)</b>	<b>(12.85)</b>	<b>(3.56)</b>

**NOTE 23 : RATIOS**

Particulars	2023-24	2022-23	% of change	Remarks
Current ratio	2.07	2.20	-6%	Nominal change
Debt equity ratio	4.76	3.07	55%	Increase in unsecured borrowing and decrease in reserves lead to increase in debt equity ratio.
Debt service coverage ratio	-1.17	0.80	-246%	Increase in post tax losses due to write off deferred tax asset has resulted to negative DSCR.
Return on equity	-0.41	-0.09	355%	Due to Increased post tax losses and decreased avd shareholders fund
Inventory turnover ratio	0.13	0.24	-46%	Due to deacreated sales
Trade Receivable turnover ratio	0.01	0.08	-91%	Due to deacreated credit sales
Trade payable turnover ratio	0.35	0.37	-3%	Nominal Change
Net capital turnover ratio	0.09	0.16	-46%	Due to deacreated sales
Net profit ratio	-1.75	-0.25	591%	Due to increased losses
Return on capital employed	-0.02	-0.01	283%	Due to decreased earnings before interest and tax

**24.1. Contingent Liability and Commitments**(to the extent not provided for)

**(a) Contingent Liability not provided for in respect of claims against the company does not acknowledge as debts:**

- (i). Counter Guarantee given to Bankers towards the Bank Guarantee Rs. 49.31 Lakhs. (Previous year Rs. 49.31 Lakhs).
- (ii). **Export Obligation:**

Particulars	Remarks
<b>License no. 0930003970</b>	Pursuant to launch of Amnesty Scheme by Govt of India, Ministry of Commerce and Industry, Department of Commerce (Director General of Foreign Trade), vide Public Notice no. 2/2023-24 dated 01 April 2023, Public Notice no. 7 dated 18 April 2023 and Policy Circular no. 1/2023-24 dated 17 April 2023, the Company has filed its application for grant of amnesty by making a payment of Rs. 1,31,41,892/- under the scheme by 30 September 2023 for full and final discharge of obligations under the EPCG License granted to the Company. Application of the Company is under process of the office of the DGFT for necessary approval under the said scheme.
<b>License no. 0930007705</b>	Pursuant to launch of Amnesty Scheme by Govt of India, Ministry of Commerce and Industry, Department of Commerce (Director General of Foreign Trade) vide Public Notice no. 2/2023-24 dated 01 April 2023, Public Notice no. 7 dated 18 April 2023 and Policy Circular no. 1/2023-24 dated 17 April 2023, the Company has filed its application for grant of amnesty by making a payment of Rs. 1,80,10,767/- under the scheme by 30 September 2023 for full and final discharge of obligations under the EPCG License granted to the Company. Application of the Company is under process of the office of the DGFT for necessary approval under the said scheme.

**(b) Labour Court Award**

Labour Court III, Hyderabad had passed an award vide G.O.Rt.No.223 dated 23 March,2017 in I.D.No.17 of 2010, in favor of Balaji Vishnu Patil ex-employee working under job worker at the Company's Rajapoor Unit and directed the Company to pay an amount of Rs.2,50,000/- towards retrenchment compensation in lieu of the reinstatement to Balaji Vishnu Patil. The Company has preferred an appeal before Telangana High Court, Hyderabad bearing reference No.WPMP No.31873 of 2017 in WP No.25695 of 2017 against the said award. High Court has granted interim stay vide its order dated 02 August 2017 on the condition the Company depositing one third of the awarded amount and the Company has complied with the condition.

**24.2. (a) Raw Materials ConsumedR**

(Rs. in Lakhs)

Type of Raw Material	Year 2023-2024	Year 2022-2023
(a) Grey Cloth	4.89	56.93
(b) Others	15.57	288.53
<b>TOTAL</b>	<b>20.46</b>	<b>345.46</b>

**(b) Trading Goods Purchased**

(Rs. in Lakhs)

Type of Trading Goods	Year 2023-2024	Year 2022-2023
Textile Fabrics	549.57	123.60
Others	198.07	94.28
<b>TOTAL</b>	<b>747.64</b>	<b>217.88</b>

**(c) Turnover**

(Rs. in Lakhs)

Particulars	Year 2023-2024	Year 2022-2023
<b>(i) Manufactured Goods</b>		
Textile Fabrics	229.83	940.56
Others	84.10	176.02
<b>SUB-TOTAL (A)</b>	<b>313.93</b>	<b>1,116.58</b>
<b>(ii) Traded Goods</b>		
Textile Fabrics	642.00	765.06
Others	351.49	428.54
<b>SUB-TOTAL (B)</b>	<b>993.49</b>	<b>1,193.60</b>
<b>GRAND TOTAL (A+B)</b>	<b>1307.42</b>	<b>2310.18</b>
Less: Discount	0.28	1.80
<b>TOTAL TURNOVER</b>	<b>1307.14</b>	<b>2,308.37</b>

**(d) Stock**

(Rs. in Lakhs)

Opening Inventory	Year 2023-2024	Year 2022-2023
<b>(i) Manufactured Goods</b>		
Textile Fabrics	6,255.49	6,405.69
Others	398.36	556.31
<b>(ii) Trading Goods</b>		
Textile Fabrics	2,238.00	2,604.13
Others	770.42	608.90
<b>TOTAL</b>	<b>9,662.28</b>	<b>10,175.04</b>
<b>Closing Inventory</b>	<b>Year 2023-2024</b>	<b>Year 2022-2023</b>
<b>(i) Manufactured Goods</b>		
Textile Fabrics	5546.99	6,255.49
Others	256.43	398.36
<b>(ii) Trading Goods</b>		

Opening Inventory	Year 2023-2024	Year 2022-2023
Textile Fabrics	3013.77	2,238.00
Others	979.79	770.42
<b>TOTAL</b>	<b>9796.98</b>	<b>9,662.28</b>

**24.3. Earnings of Foreign Currency**

(Rs. in Lakhs)

Particulars	Year 2023-2024	Year 2022-2023
FOB value of Exports	Nil	64.19

**24.4. Employee Benefits:**

As per Ind AS-19 "Employee Benefits", the disclosures of Employee Benefits in the Accounting Standard are given below:

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognized Rs. 13.21 Lakhs (Year ended 31<sup>st</sup> March 2023 Rs. 22.65 Lakhs) towards Provident Fund contributions and Rs. 2.36 Lakhs (Year ended 31<sup>st</sup> March 2023 Rs. 5.60 Lakhs) for the Employee State Insurance Scheme contribution in the statement to Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

The employees' gratuity fund scheme managed by a Trust is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognized each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit to build up the final obligation. Reconciliation of opening and closing balances of Defined benefit obligation as below:

(Rs. in Lakhs)

Particulars	Year 2023-2024	Year 2022-2023
<b>I. Assumptions</b>		
Discount Rate (per annum)	7.23%	7.49%
Expected Rate of Return on Plan Assets	7.23%	7.49%
Salary Growth Rate (per annum)	8.00%	8.00%
<b>II. Table Showing Change in Benefit Obligation</b>		
Liability at the beginning of the year	127.85	118.62
Interest Cost	9.52	8.67
Current Service Cost	10.39	14.16
Benefit Paid	(1.40)	-
Actuarial (gain)/loss on obligations	(65.58)	(13.61)
Liability at the end of the year	80.79	127.85

Particulars	Year 2023-2024	Year 2022-2023
<b>III. Tables of Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the Period	0.41	0.39
Expected Return on Plan Assets	0.03	0.03
Contributions	1.40	-
Benefit Paid	(1.40)	-
Actuarial gain/(loss) on Plan Assets	-	(0.01)
Fair Value of Plan Assets at the end of the year	0.44	0.41
<b>IV. Actual Return on Plan Assets:</b>		
Expected Return on Plan Assets	0.03	0.03
Actuarial gain/(loss) on Plan Assets	-	(0.01)
Actual Return on Plan Assets	0.03	0.01
<b>V. Amount Recognized in the Balance Sheet</b>		
Liability at the end of the year	80.79	127.85
Fair Value of Plan Assets at the end of the year	0.44	0.41
Funded Status - Deficit / (Surplus)	80.35	127.44
Net Liability/(Asset) Recognized in the Balance Sheet	80.35	127.44
<b>VI. Expenses Recognized in the Statement of Profit and Loss</b>		
Current Service Cost	10.39	14.16
Interest Cost	9.52	8.67
Expected Return on Plan Assets	(0.03)	(0.03)
Net Actuarial (Gain)/Loss to be Recognized	(65.58)	(13.59)
Expense Recognized in P & L	(45.69)	9.21
<b>VII. Balance Sheet Reconciliation</b>		
Opening Net Liability	127.85	118.62
Expense as above	(45.69)	9.21
Benefits paid	(1.40)	-
Actual return on plan assets	0.03	0.01
Amount Recognized in Balance Sheet	80.79	127.85

**24.5.** The Company's operations mainly consist of only one segment—Textile Fabrics and therefore the figures as above relate to that segment.

**24.6. Fair Value Hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level I: Quoted prices (unadjusted) in active markets for identical assets or liabilities;



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

(Amount in Lakhs)

Fair value hierarchy				
Particulars	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		Level 1	Level 2	Level 3
<b>31-Mar-24</b>				
<b>Financial Asset</b>	-	-	-	-
<b>Financial Liability</b>				
<b>Borrowings</b>	1,050.62	1,050.62	-	-
<b>Total</b>	1,050.62	1,050.62	-	-
<b>31-Mar-23</b>				
<b>Financial Asset</b>	-	-	-	-
<b>Financial Liability</b>				
<b>Borrowings</b>	1,050.62	1,050.62	-	-
<b>Total</b>	1,050.62	1,050.62	-	-

#### 24.7. Related Parties Disclosures:

Information of Related Party Transactions as required by Ind AS-24 on “Related Party Disclosures” for the year ended 31<sup>st</sup> March 2024:

##### A. List of Related Parties

###### (I) Directors and their Relatives

Shri Vijay Kumar Gupta  
Shri Susheel Kumar Gupta  
Smt. Shashikala Gupta

###### (II) Key Managerial Person

Shri Rakesh Malhotra, Whole Time Director & CFO  
Smt. Neha Kankariya, Company Secretary (Up to 12<sup>th</sup> May, 2023)  
Shri Yogesh Dayma (From 22<sup>nd</sup> July, 2023).

###### (III) Director’s Interest

Vijay Racing Farms Private Limited  
Vijay Infotech Ventures (Partners are related to Promoter/ Directors)

**B. Transactions/balances outstanding with Related parties:**

**1) For the Year 2023-2024:**

(Amount in Lakhs)

Sl. No	Transactions / Outstanding balances	Directors / Relatives	Director's interest in firm / Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	Nil	-	3.60	3.60
2	Rent / Lease	Nil	-	-	Nil
3	Interest on Unsecured Loan	160.92	-	-	160.92
4	Sale of vehicles	Nil	-	-	Nil
5	Unsecured Loan – Taken	450.16	-	-	450.16
6	Unsecured Loan – Repaid	Nil	-	-	Nil
7	Amount payable at the year ended 31.03.2024	2434.14	-	-	2434.14
8	Unsecured Loans Outstanding as at 31.03.2024	15291.78	-	-	15291.78

**2) For the Year 2022-2023:**

(Amount in Lakhs)

Sl. No	Transactions / Outstanding balances	Directors / Relatives	Director's interest in firm / Company	Key Managerial Personnel / Relatives	Total
1	Remuneration	Nil	-	15.60	15.60
2	Rent / Lease	Nil	-	-	Nil
3	Interest on Unsecured Loan	217.35	-	-	217.35
	Sale of vehicles	-	20.22	-	20.22
4	Unsecured Loan – Taken	-	-	-	-
5	Unsecured Loan – Repaid	172.34	-	-	172.34
6	Amount payable at the year ended 31.03.2023	2274.45	-	-	2274.45
7	Unsecured Loans Outstanding as at 31.03.2023	14841.62	-	-	14841.62

During the year the company has taken unsecured loan for meeting the regular operational expenditure of the Company from the promoters at regular intervals which is within the limits approved by Members in the General Meeting vide Special Resolution dated 30.09.2014 at 24<sup>th</sup> Annual General Meeting held on 30/09/2014.

**24.8.Assets taken on Lease**

- (a) The Company's Lease Agreement is in respect of Building at Ameerpet, Kukatpally, Dilsukhnagar, and Secunderabad show rooms. The Leasing arrangement is for a longer period and renewable by mutual consent on mutually agreeable terms.

(b) Future minimum lease rentals payable as per the lease agreements: (Amount in Lakhs)

SI No.	Particulars	As at 31.03. 2024*	As at 31.03. 2023*
(i)	Not Later than one year	118.72	234.49
(ii)	Later than one year but not later than 5 years	369.01	337.92
(iii)	Later than five years	292.03	104.04

\* The above figures are given without discounting at present value.

**24.9. Deferred Tax:**

The breakup of Deferred Tax Liability as on 31<sup>st</sup> March, 2024 is as follows: (Amount in Lakhs)

Particulars	As at 31.03. 2024	As at 31.03. 2023
<b>Deferred tax Liability arising on account of</b>		
Difference between accounting base and tax base of property, plant and equipment and Rs. Intangible Asset	-	(674.26)
Other Non Current Liability	-	118.44
Other financial liabilities	-	12.47
Provision	-	51.89
Unused Tax Losses	-	1510.24
Other comprehensive income	-	(3.42)
<b>Net Deferred Tax Asset/(Liability)</b>	-	1015.36

The company has derecognized available balance in deferred tax asset of Rs. 10.08 crore in accordance with IND AS 12 which states that deferred tax asset should be derecognized when it no longer probable that future taxable profits will be available against which DTA can be utilised.

**24.10.** The Company has not provided for cess u/s 44IA of The Companies Act, 1956, as the Central Government has not specified the rules and manner of depositing the same.

**24.11. Earnings Per Share**

(Amount in lakhs)

Particulars	Year 2023-2024	Year 2022-2023
<b>Earnings</b>		
Net profit / (Loss) for the period	(2352.24)	(652.52)
<b>Shares</b>		
Weighted average number of Equity Shares outstanding during the period	183.05	183.05
<b>Earnings per share of par value Rs.10/- Basic (Rs)</b>	(12.85)	(3.56)
Weighted average number of Equity Shares outstanding during the period for Diluted EPS	183.05	183.05
<b>Earnings per share of par value Rs.10/- Diluted (Rs)</b>	(12.85)	(3.56)

- 24.12.** In accordance with the Ind AS -39 on "Impairment of Assets" the management during the year carried out exercise of identifying the assets that might have been impaired in respect of each cash-generating unit. On the basis of this review carried out by the management, there was no impairment loss on the fixed assets during the year ended 31<sup>st</sup> March 2024.
- 24.13.** Letters have been written for confirmation of debit and credit balances pertaining to debtors and creditors and reply from the parties is awaited.
- 24.14.** Promoter/Directors have agreed to waive the rent and remuneration payable to them for the financial year 2023-2024 accordingly, the Company has not provided for the same.
- 24.15.** Post categorization of the Company's loan accounts with State Bank of India ("SBI") and Axis Bank Limited ("Axis") as Non-Performing Assets (NPAs) regular business transactions were routed through trust & retention account ("TRA") managed by SBI on behalf of Company for both SBI & Axis Bank Limited, which however was permitted up to 31<sup>st</sup> July 2022. SBI has applied a freeze on the TRA account with effect from 01<sup>st</sup> August 2022.

As the TRA Account is under freeze, the Company is managing its daily operations with the support of Promoter Directors.

Pursuant to the above, the Company submitted a proposal for compromise on November 10, 2022, for one time settlement of dues by making a payment of Rs.79.60 Crore (SBI: Rs.61.00 Crore & Axis: Rs.18.60 Crore) as stipulated in the offer letter to be completed by March 15, 2023. Wherein Company has received approval from the consortium banks viz. State Bank of India and Axis Bank Limited vide their letters dated January 25, 2023 and January 27, 2023 respectively to its compromise proposal submitted on November 10, 2022 for one time settlement of bank dues of Rs.79.60 Crore to be paid by March 31, 2023. However, Company was unsuccessful to honor the compromise agreement as on March 31, 2023 and SBI & Axis has revoked the compromise agreement on April 29, 2023 and May 03, 2023 respectively. The Company has, however, submitted a fresh request for revival of the compromise agreement to banks and extension of time for repayment of dues but same is yet to confirmed by the respective banks.

Meanwhile, SBI has on behalf of both the consortium banks, initiated recovery action as per provisions of section 13 (2) of Securitization and Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002 ("SARFAESI Act") SARFAESI Act by filing an application before Debt Recovery Tribunal (DRT), Hyderabad and before NCLT, Hyderabad Bench under IBC 2016 in the month of June 2023. Further proceedings in both the cases initiated by the bank are in progress before DRT and NCLT, Hyderabad Bench respectively.

However, the application filed by State Bank of India before Hon'ble National Company Law Tribunal [NCLT] Hyderabad bench under section 7 of Insolvency and Bankruptcy Code, 2016 in respect of dues payable to State bank of India & Axis Bank Limited, was rejected by the Hon'ble tribunal on 08th May 2024 without costs since same petition cannot be filed with two different authorities simultaneously and other grounds.

State Bank of India has also sued for recovery before Debt Recovery Tribunal under SARFAESI Act, 2002, proceedings for which are in progress and next date of hearing is fixed for 21<sup>st</sup> August 2024.

- 24.16.** The Company has received warrant of attachment of immovable property vide RC no. 175/ 2023 dated 13 March 2024 under Rule 48 of the second schedule to the Income Tax Act, 1961 read with the Recovery of Debts & Bankruptcy Act, 1993 which is listed for hearing before the Debt Recovery Tribunal for 21<sup>st</sup> August 2024.
- 24.17.** Company has received notice dated 24th April 2024 from the Advocate Commissioner appointed by the court of chief Judicial Magistrate has served warrant of commission issued u/s 24 of the SARFAESI Act, 2002 giving therein 15 days' notice & has taken possession of factory unit on 06 June 2024 in compliance of the said order of the court.
- 24.18.** Management has performed a detailed review and reached out to all its debtors with regards to recovery of the long outstanding dues. Considering the long association debtors have given their assurance that the amount owed to the Company will be surely repaid, which was delayed due to the impact of COVID 19 pandemic and several other factors affecting the markets. Keeping in view the assurance given by the debtors, management is of the opinion that there is no requirement of provision for expected credit loss towards the recovery from debtors. Further efforts are being made for expediting recovery from long overdue debtors. The management is, therefore, of the opinion there is no significant credit loss for the existing debtors outstanding and accordingly provisions are not required to be made in the books.

- 24.19.** The Company does not have any Benami property where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 24.20.** The Company does not have any transactions with companies struck off.
- 24.21.** The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- 24.22.** The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies (Restriction on number of Layers) Rules 2017.
- 24.23.** 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.
- 24.24.** 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 Group shall:
- 24.25.** 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.
- 24.26.** The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).
- 24.27.** The company has not traded or invested in crypto currency or Virtual currency during the financial year
- 24.28.** The company has an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the audit trail feature has not been tampered with at any point of time during the year.

***As per our Report of even date attached***

**for SVD & ASSOCIATES**

Chartered Accountants

Firm's Registration Number: 015405 S

Sd/-

**Avinash Doba**

Partner

Membership No: 232340

Place: Hyderabad

Date: 31.07.2024

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

**Vijay Textiles Limited**

CIN : L18100TG1990PLC010973

Sd/-

**Vijay Kumar Gupta**

Chairman & Managing Director

DIN:01050958

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Rakesh Malhotra**

Whole Time Director & CFO

DIN:05242639

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Susheel Kumar Gupta**

Executive Director

DIN:00362714

Place: Hyderabad

Date: 31.07.2024

Sd/-

**Yogesh Dayama**

Company Secretary

M.No: A70654

Place: Hyderabad

Date: 31.07.2024

If undelivered, please return to \_\_\_\_\_



**Corporate Office:**

Surya Towers, Ground Floor, 104, Sardar Patel Road,  
Secunderabad, Telangana - 500 003.

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