



**SWARAJ SUITING LIMITED**  
Weaving The Future

# ANNUAL REPORT 2022-23



**SWARAJ SUITING LIMITED**



**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Mohammed Sabir Khan  
Mrs. Samar Khan  
Mr. Nasir Khan  
Mrs. Amreen Sheikh  
Mrs. Annie Zuberi  
Mr. Ramesh Agarwal

Chairman & Managing Director  
Whole Time Director  
Whole Time Director  
Independent Director  
Independent Director  
Independent Director

**COMPANY SECRETARY**

Mr. Rahul Kumar Verma

**NAME OF THE STOCK EXCHANGE**

National Stock Exchange of India Ltd.  
“Emerge Platform”

**CHIEF FINANCIAL OFFICER**

Mr. Prakash Chandra Jain

**SECRETARIAL AUDITORS**

**STATUTORY AUDITORS**

M/s S. K. Toshniwal & Co.,  
Chartered Accountants  
Shop No. 20, Badal Textile Market,  
Pur Road, Bhilwara 311001

M/s Sanjay Somani & Associates,  
Company Secretaries  
29, First Floor, Badal Textile Market,  
Pur Road, Bhilwara 311001

**BANKERS**

State Bank of India  
Bank of Baroda  
Union Bank of India

**REGISTRAR & SHARE TRANSFER AGENT**

BIGSHARE SERVICES PRIVATE LIMITED  
Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business  
Park, Next to Ahura Centre, Mahakali Caves  
Road, Andheri (East), Mumbai – 400093.  
Tel. No. : 022 62638200 Fax No : 022 62638299  
Email Id : investor@bigshareonline.com  
Website : [www.bigshareonline.com](http://www.bigshareonline.com)

**INTERNAL AUDITORS**

M/s Kishan Agrawal & Associates,  
Chartered Accountants  
D-34, Bhilwara Textile Market,  
Pur Road, Bhilwara 311001

**PLANTS & REGISTERED OFFICE**

SWARAJ SUITING LIMITED  
CIN - L18101RJ2003PLC018359  
**R.O. & Plant 1-F** 483 to 487, RIICO Growth  
Centre, Hamirgarh, Bhilwara-311025, **Raj.**  
**Plant 2-** B-24 to 41, Industrial Area,  
Jhanjharwada, Neemuch-458441, M.P.  
**Contact-** 88750-16161  
**Email-** info@swarajsuiting.com  
cs@swarajsuiting.com  
**Website-** www.swarajsuiting.com

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## CHAIRMAN STATEMENT

Dear Shareholders,

I am delighted to share with you the events and developments of your SSL during the fiscal year 2022-23. The past year is a testament to the value that Swaraj continues to create for all its stakeholders. As a company with diverse business interests in the textile sector, we pursue consolidated growth by competitively advancing our core businesses, fostering an environment for transformation, and nurturing and investing in emerging businesses of the future.

Despite the uncertainties, we experienced exciting growth in the fiscal year. We achieved our highest-ever sales and earnings in FY23. These impressive results were driven by new business opportunities we capitalized on, resulting in a nearly 71% increase in sales during the financial year. This demonstrates our strong spirit of entrepreneurship and commitment to sustainability.

Throughout the fiscal year, we successfully commissioned our Denim processing and finishing plant in Jhanjharwara, Neemuch, Madhya Pradesh, which represents a forward and backward integration of our existing business activities. We are currently undergoing capacity expansion across all segments and taking incremental steps towards producing yarn at our facilities.

Your company is well positioned to continue its growth journey in FY'24 and is committed to conduct its business in a legal, ethical and transparent manner and observes the highest corporate governance practices.

In conclusion, we had a successful year, and we remain encouraged and confident in achieving our long-term objectives of inclusive, sustainable, and profitable growth. As we look ahead, I am confident in the strong medium to long-term growth prospects. Our disciplined strategy, prudent approach, focus on agile execution, and our dedicated team will enable us to further improve performance and create greater shareholder value. I also extend my deepest appreciation to our employees, whose tireless contributions have been instrumental in Swaraj's continued success.

I would like to express gratitude to our business partners, associates, vendors, as well as state governments and government agencies for their unwavering support. Finally, on behalf of the Board of the company, I want to thank all our valued shareholders for their ongoing faith, trust, encouragement, and support. I am confident that our association will continue to contribute to the company's growth and success in the years to come.

**Sincerely**

**M. Sabir Khan**

**Chairman and Managing Director**

## DIRECTORS' REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 20<sup>th</sup> Annual Report and the Company's audited financial statements for the financial year ended March 31, 2023.

### FINANCIAL RESULTS

The Company's financial performance (standalone and consolidated) for the year ended March 31, 2023 is summarized below:

Particlures	STANDALONE		CONSOLIDATED	
	₹ lakh		₹ lakh	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	21929.19	12883.15	21929.19	12883.15
Other Income	63.47	47.24	63.47	47.24
Profit before depreciation, finance cost, exceptional items & tax expenses	2411.32	1383.48	2411.32	1383.48
Less: Depreciation/ Amortization / Impairment	788.03	471.63	788.03	471.63
Profit before finance cost, exceptional items & tax expenses	1623.29	911.85	1623.29	911.85
Less : Finance Cost	861.92	302.27	861.92	302.27
Profit before exceptional items & tax expenses	761.37	609.58	761.37	609.58
Less- Exceptional Items	0.00	0.00	0.00	0.00
Profit before tax expenses	761.37	609.58	761.37	609.58
Less: -Tax expenses				
- Current Tax	144.72	196.54	144.72	196.54
- Deferred Tax	62.94	-44.27	62.94	-44.27
Profit for the year	553.71	457.31	553.71	457.31

### RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the company's performance (standalone) for the year ended March 31, 2023 are as under:

- Revenue from operations increased by 70.22% to ₹ 21,929.19 lakh
- PBDIT increased by 74.29% to ₹ 2411.32 lakh
- Profit Before Tax increased by 24.90% to ₹ 761.37 lakh
- Net Profit increased by 21.08% to ₹ 553.71lakh

### OPERATIONS

Your Directors are pleased to inform that despite of the outbreak of Covid-19, your company have recorded highest standalone revenue of ₹ 21,929.19 lakh from operations (including other income) in current year compared to ₹ 12,883.15 lakh with a remarkable growth of 70.22% as compared to the previous fiscal and consolidated revenue as same as standalone revenue.

Your Directors are pleased to report that despite a highly competitive business environment and challenges faced after worldwide CoVID-19 pandemic the Company has, earned standalone net profit of ₹ 553.71 lakh during the year as compared to net profit of ₹ 457.31 lakh in the previous year and earned consolidated net profit as same as standalone net profit.

## DIVIDEND

To strengthen the financial position and funding to the ongoing projects of the Company, no dividend is recommended by the Board for the financial year 2022-23.

## TRANSFER TO RESERVES

The Board of Directors of your company has decided not to transfer any amount to the reserves for the year under review.

## UPDATE ON DENIM PROCESSING EXPANSION PLAN

The Company commenced the commercial production of denim & finishing processing plant at Jhanjharwara, Neemuch, Madhya Pradesh (Unit-2), in the last year, with annual capacity of converting approximately 21.75 million metric meters of denim fabric, which is the forward integration of its existing business. The above plant is currently running at its optimum capacity, due to which the Company has been able to spread their business nationwide, the results of which seen clearly in the turnover for the financial year end on 31<sup>st</sup> March, 2023.

## CAPITAL STRUCTURE

The Capital structure of the Company as on 31.03.2023 as follows:

The Authorized Equity Share Capital of the Company is Rs.11,50,00,000/- (rupees eleven crore fifty lakh) divided into 1,15,00,000 (one crore fifteen lakh) Equity Shares of Rs. 10/- each.

The Issued, subscribed and Paid up Share Capital of the Company is Rs.7,20,01,300 (rupees seven crore twenty lakh one thousand three hundred) divided into 72,00,130 (seven lakh one hundred thirty) Equity Shares of Rs.10/- each.

## CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company are prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this annual report. A statement containing the salient features of the Company's subsidiaries, associate and joint venture Company in the prescribed form AOC-1 is enclosed as **Annexure-1** to the Annual Report.

## DEPOSITS

During the year under review, your company has not accepted or renewed any deposit within the meaning of Section 73 of the Companies Act 2013 and the rules made there under.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2023, the Company have one associate company which details as follows-

S No	Name and address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	Modway Suiting Private Limited (Formerly known as Cyan Textile Private Limited) 470, Industrial Area, Biliya Khurd, Pur Road, Bhilwara-311001	U18108RJ1986PTC003788	Associate	41.06	Section 2(6) of Companies Act, 2013

## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors state that:

- (a) in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III of the Act have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies as mentioned in notes to the Financial statements have been selected 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 March 31, 2023 and of the profit of the company for year ended on that date;
- (c) the directors have taken proper and sufficient care for 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 have prepared annual financial statements have been prepared on a going concern basis;
- (e) the Directors have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **BOARD OF DIRECTORS, THEIR MEETINGS & KMPs**

### **I. Constitution of the Board**

The Board of directors are comprising of total 6(Six) Directors, which includes 3 (Three)Independent Directors. The Chairman of the Board is Promoter and Managing Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

### **II. Board Independence**

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having following independent directors:

- i) Mrs. Annie Zuberi
- ii) Mrs. Amreen Shiekh
- iii) Mr. Ramesh Agarwal

As per provisions of the Companies Act, 2013, Independent Directors shall not be liable to retire by rotation.

### **III. Declaration by the Independent Directors**

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2022-23.

### **IV. Directors liable to retire by rotation**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mrs. Samar Khan (DIN: 01124399), Whole Time Director of the Company is liable to retire by rotation at ensuing Annual General Meeting. The Board of Directors on the recommendation of the Nomination and Remuneration Committee has recommended their re-appointment.

### **V. Directors and Key Managerial Personnel**

During the year under review, the members approved the appointment of Mr. Ramesh Agarwal as an Independent Directors w.e.f. October 05, 2022 for the five years i.e. till October 04, 2027.

The Board of Directors on recommendation of the Nomination and Remuneration Committee has re-appointed Mr. Mohammed Sabir Khan as Managing Director, Mrs. Samar Khan and Mr. Nasir Khan as Executive Directors of the Company for a period of 5 (five) years with effect from January 01, 2024, subject to approval of shareholders, as their current term of office is upto December 31, 2023.

Followings are the Directors and KMPs of the Company:

S No	Name of Directors/KMPs	Designation/Nature of Directorship
1	Mr. Mohammed Sabir Khan [DIN:00561917]	Chairman cum Managing Director
2	Mr. Nasir Khan [DIN:07775998]	Executive Director
3	Mrs. Samar Khan [DIN:01124399]	Executive Director
4	Mrs. Amreen Sheikh [DIN:09027151]	Independent Director
5	Mrs. Annie Zuberi [DIN:08849178]	Independent Director
6	Mr. Ramesh Agarwal [DIN:01407724]	Independent Director
7	Mr. Rahul Kumar Verma [PAN:AQCPV6650M]	Company Secretary & Compliance Officer
8	Mr. Prakash Chandra Jain [PAN:ACZPJ6386K]	Chief Financial officer

## VI. Meetings and Attendance of the Board

The Board meets at regular intervals to discuss and decide on company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors.

The Board met 08 (Eight) times in the Financial Year 2022-23 viz., 30<sup>th</sup> May 2022, 01<sup>st</sup> August, 2022, 24<sup>th</sup> August, 2022, 28<sup>th</sup> September 2022, 14<sup>th</sup> November 2022, 06<sup>th</sup> February 2023, 01<sup>st</sup> March 2023 and 30<sup>th</sup> March 2023. The frequency of and the quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and Secretarial Standard-1.

Attendance of each director in board meeting as follows:

Date of Meeting	Name of Directors					
	Mr. Mohammed Sabir Khan	Mr. Nasir Khan	Mrs. Samar Khan	Mrs. Annie Zuberi	Mrs. Amreen Sheikh	Mr. Ramesh Agarwal
30.05.2022	Yes	Yes	Yes	Yes	Yes	Yes
01.08.2022	Yes	Yes	Yes	Yes	Yes	Yes
24.08.2022	Yes	Yes	Yes	Yes	Yes	Yes
28.09.2022	Yes	Yes	Yes	Yes	Yes	Yes
14.11.2022	Yes	Yes	Yes	Yes	Yes	Yes
06.02.2022	Yes	Yes	Yes	Yes	Yes	Yes
01.03.2023	Yes	Yes	Yes	Yes	Yes	Yes
30.03.2023	Yes	Yes	Yes	Yes	Yes	Yes

## VII. Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 30<sup>th</sup> March 2023 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timelines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

## VIII. Company's policy on Directors' Appointment and Remuneration

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), uploaded on company's website. <https://www.swarajsuiting.com/uploads/reports/NOMINATION%20AND%20REMUNERATION%20POLICY.pdf>

## IX. Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings & Strategic perspectives or inputs regarding future growth of company, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

## COMMITTEES OF THE BOARD

The Company has following committees:

### I. Audit Committee

The Company has constituted Audit Committee as per requirement of section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The Audit Committee comprises of the following Directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mrs. Amreen Sheikh	Independent Director	Chairperson
2	Mrs. Annie Zuberi	Independent Director	Member
3	Mr. Mohammed Sabir Khan	Managing Director	Member

During the financial year 2022-23, the Audit Committee met 6 (six) times on 30.05.2022, 16.08.2022, 14.11.2022, 09.01.2023, 21.03.2023 and 29.03.2023..

### II. Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of the following Directors of the Company:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mrs. Annie Zuberi	Independent Director	Chairperson
2	Mrs. Amreen Sheikh	Independent Director	Member
3	Mr. Ramesh Agarwal	Independent Director	Member
3	Mr. Mohammed Sabir Khan	Managing Director	Member

During the financial year 2022-23, the Nomination and Remuneration Committee met 2 (two) times on 24.08.2022 and 26.12.2022.

### III. Stakeholder's Relationship Committee

The Company has constituted a Stakeholders' Relationship Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Committee considers and approves various requests regarding annual report and to redress complaints of the shareholders. The Stakeholders' Relationship Committee comprises the following Directors:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mrs. Annie Zuberi	Independent Director	Chairperson
2	Mrs. Amreen Sheikh	Independent Director	Member
3	Mr. Mohammed Sabir Khan	Managing Director	Member
3	Mr. Nasir Khan	Whole Time Director	Member

During the financial year 2022-23, the Stakeholders' Relationship Committee met on 29.03.2022.

### IV. Corporate Social Responsibility (CSR) Committee

The Company has constituted a CSR Committee in accordance with section 135 of the Companies Act, 2013. The CSR Committee comprises the following Directors:

S. N.	Name of Director	Nature of Directorship	Designation in Committee
1	Mrs. Amreen Sheikh	Independent Director	Chairperson
2	Mr. Mohammed Sabir Khan	Managing Director	Member
3	Mr. Nasir Khan	Whole Time Director	Member

During the financial year 2022-23, the CSR Committee met on 24.08.2022.

### V. MEETINGS OF MEMBERS

During the year under review, 19<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2022.

### DEMATERIALISATION OF SECURITIES:

The Company's Equity Shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. As on March 31, 2023 all 72,00,130 equity shares dematerialized through depositories viz. National Securities Depositories Limited and Central Depositories Services (India) Limited, represents whole 100% of the total issued, subscribed and paid-up share capital of the Company as on that date. The ISIN allotted to your Company is INE0GMR01016. Status of the Securities as on March 31, 2023 hereunder:

	CDSL	NSDL	TOTAL
Shares in Demat	6593030	607100	7200130
Physical Shares	Nil	Nil	Nil

## REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent .The Registered Office of Bigshare Services Pvt. Ltd. situated at Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093.

## AUDITORS

### I. SATUTORY AUDITOR & AUDIT REPORT

M/S S. K. Toshniwal & Co., Chartered Accountants (Firm Registration No. 008852C) were appointed as Statutory Auditors of the Company for 5 (five) consecutive years, at the 16<sup>th</sup> Annual General Meeting held on September 30, 2019 for five years till the conclusion of the Annual General Meeting to be held in the calendar year 2024. Accordingly, they have conducted Statutory Audit for the F.Y. 2022-23. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company, and shall continue to be Statutory Auditors for the F.Y. 2022-23.

As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Auditors' Report does not contain any qualification, reservation disclaimer. The Notes to the financial statements referred in the Auditors' Report are self-explanatory and do not call for any further comments.

### II. INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company, has appointed M/s Kishan Agrawal & Associates ,Chartered Accountants, Bhilwara, [ICAI Firm Registration No.- 013915C], as the Internal Auditors of the Company for the financial year 2022-23.

The Internal Audit Finding/s and Report/s submitted by the said Internal Auditors, during the financial year, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications hence do not call for any further explanation/s by the Company.

### III. SECRETARIAL AUDITORS

The Board had appointed M/s Sanjay Somani & Associates, Company Secretaries, Bhilwara, [ICSI Membership No.FCS-6958 & Certificate of Practice No. 5270], to conduct Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed and marked as **Annexure-2** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation disclaimer. The observation(s) referred in the Secretarial Audit Report are self-explanatory and do not call for any further comments.

### IV. COST AUDITORS

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board has appointed M/s Avnesh Jain & Company, Cost Accountants (FRN: 101048), being eligible, to conduct Cost Audit of the Company for the financial year 2023-24 at a remuneration of Rs.35,000/- subject to ratification by members. Accordingly, the

proposal has been included in the notice to ratify the remuneration being offered.

In accordance with the provisions of Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 the Company has maintained the Cost Records.

### INTERNAL FINANCIAL CONTROLS

The Company has adequate system of internal controls commensuration with the size of its operation and business, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, and to ensure that all the business transactions are authorized, recorded and reported correctly and adequately.

The Company has appointed Internal Auditors and the scope and authority of the Internal Audit (IA) function is defined in the procedure and appointment letter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board. Based on the report of internal audit and process the company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board.

The Company works in a dynamic business environment and adopts the appropriate internal financial controls, to establish reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with the generally accepted accounting principles. It includes indicting and maintaining such business policies and procedures as may be required to successfully conduct the business of the company and maintain such records as to correctly record the business transaction, assets and liabilities of the company in such a way that they help in prevention & detection of frauds & errors and timely completion of the financial statements.

### CREDIT RATING

The “Infomercials Ratings” (Credit rating agency) has assigned the Credit Rating to the Company for total bank facilities of Rs.109.59 Crores availed by the Company. The details of new Credit Rating assigned to the Company are given below: -

	Amount (Rs. in crore)	Credit Rating
Long Term- Fund based facility	89.10	IVR BBB-/Stable - <i>Assigned</i>
Long term/ Short Term- Fund based facility	20.00	IVR BBB-/Stable / IVR A3- <i>Assigned</i>
Short term – Non fund based facility	00.49	IVR A3 (IVR A three) <i>Assigned</i>

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (9) of the Companies Act, 2013 and the regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, The Company has adopted a Whistle-Blower Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The details of the Vigil Mechanism Policy has posted on the website of the Company at following link:

<https://www.swarajsuiting.com/uploads/reports/Whistle%20Blower%20Policy-%20Vigil%20Mechanism.pdf>

### PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The details of the Insider Trading Policy has posted on the website of the Company at following link: (Link: <https://www.swarajsuiting.com/uploads/reports/Policy%20on%20Insider%20Trading.pdf>)

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, there were no such instances in the Company during the year 2022-23

### **RISK MANAGEMENT**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

The Company has not made Risk Management Committee, but the Board of Directors and Audit Committee is looking after the Risk Management of the Company.

### **MATERIAL CHANGES & COMMITMENTS**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year and date of this report.

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

The company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero-tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action.

The company has in place an Anti-Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainee) are covered under this policy.

During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. The Management of the Company endeavors to provide safe environment for the female employees of the Company.

### **ANNUAL RETURN**

Kindly take note that the Annual Return as required under Section 92 of the Companies Act, 2013 will be made available on the website of the Company after conclusion of the AGM in below link:  
(Link: <https://www.swarajsuiting.com/annual-return>)

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of loans, guarantees or investments, if any, covered under the provisions of Section 186 of the Act are given in the notes to the financial statements

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All related party transactions that were entered during the financial year, were on the arm's length basis and were in the ordinary course of business and do not attract the provisions of section 188 of the Companies Act, 2013. Thus, disclosure in form AOC-2 is not required.

All Related Party Transactions were placed before the Audit Committee for approval. A policy on the related party Transactions was framed & approved by the Board and posted on the Company's website at below link:

<https://www.swarajsuiting.com/uploads/reports/POLICY%20ON%20RELATED%20PARTY%20TRANSACTIONS.pdf>

However, you may refer to Related Party Transactions, as per the Accounting Standards, in the notes forming part of the financial statements.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORTS**

As per Regulation 34 (e) read with schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the management Discussion and Analysis Report of the Company for the year ended is set out in this Annual Report as "**Annexure-3**".

## **HUMAN RESOURCES**

The Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

## **RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES**

Pursuant to provision of section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees given in the "**Annexure-4**".

The information as required to be provided in terms of Section 197 (12) of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "**Annexure-5**" to this Report.

## **COMPLIANCES OF SECRETARIAL STANDARDS**

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2022-23 ended 31<sup>st</sup> March 2023.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure-6**".

## **CORPORATE SOCIAL RESPONSIBILITY**

In pursuant to Section 135 of the Companies Act, 2013 read with rules framed there under a CSR Policy to ensure Social Responsibilities has been adopted.

The CSR Policy has been uploaded on the website of the Company at following link: (Link: <https://www.swarajsuiting.com/uploads/reports/CSR%20Policy.pdf>)

In view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2022-23 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken various activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as "**Annexure-7**".

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **DISCLOSURE FOR FRAUD AGAINST THE COMPANY**

In terms of provision of section 134(3)(ca) of the Companies Act, 2013, There were no instances of fraud which are reported by Auditors of the Company under section 143(12) of the Companies Act, 2013 to the Audit Committee.

## **CODE OF CONDUCT**

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company at following link:

(<https://www.swarajsuiting.com/uploads/reports/Code%20of%20Conduct%20for%20Directors%20&%20Senior%20Management%20Personnel.pdf>)

## **CORPORATE GOVERNANCE**

The Company being listed on the EMERGE Platform of National Stock Exchange of India Limited, therefore pursuant to Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part C of Schedule V relating to compliance of Corporate Governance shall not applicable to the Company. Further, The Company need not require complying with requirements as specified in Part E of Schedule II pursuant to Regulation 27(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and submitting Compliance Report on Corporate Governance on quarterly basis pursuant to Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report.

## **INDUSTRIAL RELATIONS**

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

## **CHANGE IN THE NATURE OF BUSINESS**

During the year under review there is no change in the nature of the business and commercial activities of the company.

## **INVESTORS EDUCATION AND PROTECTION FUND**

During the financial year 2022-23 ended on 31<sup>st</sup> March 2023 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

## **DETAILS OF APPLICATION MADE OR ANY PROCESSING PENDING UNDER THE IBC 2016**

During the year under review no application was made, further no any proceeding pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

## **DIFFERENCE IN VALUATION**

During the year under review there was no case of one time settlement with financial institution so the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions are not applicable to the company.

## **SUSPENSION OF TRADING**

There was no occasion wherein the equity shares of the Company have been suspended for trading during the Financial year 2022-23.

## **ACKNOWLEDGEMENT**

It is our belief that we have a leadership team with right experience and skills to take us into next decade of growth. We continue to build our skills and add appropriate resources, which help the company deliver solid results in the years to come. The Board of Directors sincerely appreciates the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Directors also place on record their gratitude to the National Stock Exchange of India Limited, Securities Exchange Board of India, Merchant banker, Lead Manager, Underwriter and Market Maker, Auditors, Advisors and Consultants, other intermediaries and service providers for successful accomplishment of the Company's IPO. The Board of Directors also take this opportunity to extend its sincere thanks for co-operation and assistance received by the Company from the Central - State - Local Government and other regulatory authorities, Bankers, Members, Customers, Suppliers.

The Directors also record their appreciation of the dedication of all the employees at all levels for their support and commitment to ensure that the Company continues to grow.

For and on behalf of the Board of Directors

Sd/-  
**Mohammed Sabir Khan**  
Chairman and Managing Director  
Bhilwara, September 08, 2023

**ANNEXURE - 1**

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules 2014)

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures**

**PART-A SUBSIDIARIES**

Sr. No.	Particulars	Description
1	Name of Subsidiary	-
2	Date of acquisition	-
3	Reporting Period	-
4	Exchange rates as at year end	-
5	Average Exchange Rates	-
6	Share Capital (including share application money)	-
7	Reserve & Surplus	-
8	Total Assets	-
9	Total Liabilities	-
10	Investments	-
11	Turnover	-
12	Profit / (loss) before taxation	-
13	Provision for tax (including deferred tax)	-
14	Profit / (loss) after taxation	-
15	Proposed Dividend	-
16	% of shareholding	-

**Note**

- Names of subsidiaries which are yet to commence operations.- Nil
- Names of subsidiaries which have been ceased to be subsidiary/ liquidated/ sold during the year.- Nil

**PART-B Associates and Joint Ventures**

Statement Pursuant to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules 2014, related to Associate companies and Joint Ventures

Sr. No.	Particulars	Description
	Name of Associates or Joint Ventures	Modway Suiting Private Limited
1	Latest audited Balance Sheet date	31.03.2023
2	Date on which the associate or Joint Venture was associated or acquired	27.08.2020
3	Shares of Associate held by the company on year end	
	-No. of Shares	2052974

	-Amount of Investment in Associate or Joint Venture	Rs. 2,61,75,420.00
	-Extent of Holding (in percentage)	41.06
4	Description of how there is significant influence	Note 1
5	Reason why the associate / joint venture is not consolidated	N.A.
6	Networth attributable to shareholding as per latest audited Balance Sheet	3,14,59,885.52
7	Profit or Loss for the year	
	i. Considered in Consolidation	17,63,751.82
	ii. Not Considered in Consolidation	NIL

**Note**

1. There is a significant influence due to percentage (%) of voting power
2. Names of associates or joint ventures which are yet to commence operations.-Nil
3. Names of associates or joint ventures which have been liquidated or sold during the year.-Nil

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

**ANNEXURE – 2**

**FORM MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Swaraj Suiting Limited**  
F-483 TO F-487, RIICO Growth Centre  
Hamirgarh, Bhilwara (Raj.)- 311025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Swaraj Suiting Limited, (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Swaraj Suiting Limited’s, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 (‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the reporting period under audit)**
  - (c) 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;
- (vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report: -
  - (a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, The Securities and Exchange Board of India (Share Based Employees Benefits) Regulation, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulation 2021; **(Not applicable to the Company during the reporting period under audit)**
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the reporting period under audit)&**

- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the reporting period under audit)**
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the reporting period under audit)**
- (e) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011 **(Not applicable to the Company during the reporting period under audit)**
- (vii) As confirmed and certified by the management, there is no sectoral law specifically applicable to the Company based on their Sector/ Business.

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

- (i) Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The SEBI (LODR) Regulations, 2015 as applicable on Small Company listed with the SME platform and listing agreement entered into by the company with National stock exchange limited.

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

**We further report that** during the year under review the Company has authorized KMP for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under regulation 30 of SEBI (LODR) Regulations, 2015 in the board meeting held on 30.05.2022. Further, intimation in this respect is given to NSE on 08.09.2023.

**We further report that**, during the year under review:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per the Companies Act, 2013 (“the Act”). The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors and committee members to schedule the Board Meetings and Committee meetings, agenda were sent atleast seven days in advance, 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.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, 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.

*For: Sanjay Somani & Associates*

*Sd/-  
Sanjay Somani  
Proprietor*

*M. No.: FCS6958*

*COP No.: 5270*

*P R Certificate No. 835/2020*

*UDIN: F006958E000970778*

*Place : Bhilwara*

*Date : 08/09/2023*

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

**Annexure - A to the Secretarial Audit Report**

To,  
The Members,  
**Swaraj Suiting Limited**  
**F-483 TO F-487, RIICO Growth Centre**  
**Hamirgarh, Bhilwara (Raj.)- 311025.**

The above report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on the audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they need to take independent advice or decision as per their own satisfaction.

***For: Sanjay Somani & Associates***

***Place : Bhilwara***  
***Date : 08/09/2023***

***Sd/-***  
***Sanjay Somani***  
***Proprietor***  
***M. No.: FCS6958***  
***COP No.: 5270***  
***P R Certificate No. 835/2020***  
***UDIN: F006958E000970778***

**ANNEXURE 3**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**ECONOMIC OVERVIEW**

**GLOBAL ECONOMY**

Despite the global growth rate slowing down to 3.2% in 2022, which was more than 1% weaker than anticipated in 2021, there have been recent positive indications of improvement. Although headline inflation started to decline, it remained elevated and persisted for a prolonged duration. Fortunately, the recent decline in energy and food prices has been a significant contributing factor to the early 2023 surge in activity and sentiment. Even though these prices remain relatively high compared to pre-Russia Ukraine war levels, their decrease bolstered the purchasing power of businesses and households. This, in turn, has helped to alleviate headline inflation. Additionally, the abrupt early reopening of China had a positive impact on global activity, easing supply chain pressures and providing a significant boost to international tourism.

The growth rate in advanced economies is projected to slow down significantly, declining from 2.7% in 2022 to 1.3% in 2023, primarily due to geoeconomic fragmentation. In contrast, emerging markets and developing economies are anticipated to have better economic prospects, with the average growth rate estimated to reach 3.9% in 2023, and a predicted increase to 4.2% in 2024. The slowdown was primarily attributed to the Russia-Ukraine conflict, which led to a cost-of-living crisis in multiple countries. The expected recovery for the next two years is projected to be moderate.

**Global Economic Growth (% Change)**

Year-on-year	Estimate	Projections	
	2022	2023	2024
World	3.4	2.8	3.0
Advanced Economies	2.7	1.3	1.4
Emerging markets and developing economies	4.0	3.9	4.2

While certain countries, regions, and territories have made notable strides in recovering from the Covid-19 pandemic, the global outlook continues to be uneven. For several nations, pre-existing political and economic challenges have hindered progress, making the road to recovery an uphill task. Despite the headway made, the global economy is preparing itself for another round of obstacles. This is due to the sluggish pace of structural reforms, increasing trade tensions, dwindling direct investment, and slower adoption of innovation and technology in fragmented regions. Nevertheless, it is widely anticipated that this downturn will be moderate, offering all countries an opportunity to effectively address global issues.

*(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)*

**INDIAN ECONOMY**

India has emerged as a significant player in the global economy. It has made impressive progress over the past decade, upgrading from the tenth to the fifth-largest economy in the world. The country's economic success can be attributed to crucial reforms, such as liberalisation, streamlining bureaucracy, reducing corruption, investing in infrastructure, and improving access to financing for small and medium-sized enterprises.

However, the country has been facing the challenge of dealing with inflation. The combined efforts of the Government and the Reserve Bank of India, coupled with a decline in global commodity prices, helped retail inflation to fall below the RBI's upper tolerance target. Despite these daunting challenges, Indian economy achieved a growth rate of 7.2% in 2022-23.

**GDP Growth Rate (%)**

2018-19	2019-20	2020-21	2021-22	2022-23
6.5 %	3.7 %	6.6 %	8.7 %	7.2 %

The anticipated growth of the Indian economy is a testament to its resilience, with private consumption driving growth instead of relying on export incentives. This increase in private consumption has also stimulated production activity, resulting in higher capacity utilisation across several sectors. Additionally, the Indian Government's focus on infrastructure has been noteworthy. The introductions of the National Infrastructure Pipeline (NIP) in 2019, and the National Monetisation Pipeline (NMP) in 2021, have laid a strong foundation for infrastructure development in India, presenting multiple opportunities for foreign investment and collaboration.

India's economic growth prospects are expected to improve due to several factors. These factors include the normalization of supply chains and the return of capital flows to India, supported by a stable domestic inflation rate that is below 6%. These developments are likely to increase private sector investment and boost business confidence. As a result, the survey predicts a baseline real GDP growth rate of 6.5% for 2023-24

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

**INDUSTRY OVERVIEW**
**GLOBAL TEXTILE AND APPAREAL INDUSTRY**

The textile industry is a major sector that encompasses various activities associated with the design, production, and distribution of textiles and clothing. It includes a wide range of products, such as fabrics, yarns, apparel, home textiles, and technical textiles. The projected compound annual growth rate (CAGR) of 5.67% for the worldwide textile industry during the period 2022-2027 indicates a promising growth trend. This growth is expected to be driven by various factors, such as increasing population, rising disposable income, and changing fashion trends. The demand for textiles and clothing is anticipated to rise with an increase in population, especially in emerging economies, such as India and China.

**Global textile market, forecast market size, 2022-27 (in USD Billion)**

2022	2023	2024	2025	2026	2027
573.45	611.11	646.73	681.83	717.66	755.58

In the apparel sector, the industry has been driven by factors, such as increasing disposable income, a growing global population, and the rise of e-commerce. Online shopping has become increasingly popular due to its convenience, a wider range of options, and lower prices, which have been further accelerated by the Covid-19 pandemic. Consequently, the online channel has experienced growth and now accounts for 15.9% of the industry's total value, with expert online retailers leading the way.

Additionally, the textile and apparel industry is also witnessing a shift towards sustainable and eco-friendly practices. This shift is further driving the growth of the industry. Consumers are becoming more conscious of the environmental impact of clothing production, and they are now opting for sustainable clothing options. This transition towards sustainable practices has also resulted in the emergence of new markets, especially within the eco fashion sector.

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

**INDIAN TEXTILE AND APPAREAL INDUSTRY**

The textile industry plays a critical role in India's economy and export industry, covering a wide range of activities, from traditional hand weaving to modern textile mills. India has long been recognised as a manufacturing hub for the textile and apparel industry, ranking sixth globally in terms of exports. In addition, India's technical textiles market is valued at around USD 16 Billion, constituting approximately 6% of the global market. China is the only country that produces more man-made fibres (MMF) than India, making India the second-largest MMF producer in the world.

The textile and apparel industry makes a significant contribution to India's economy, accounting for 2.3% of the country's GDP, 7% of industrial production, 12% of exports, and 21% of total employment. This sector is primarily dominated by small-scale players due to the economic feasibility of apparel manufacturing at various scales. The industry's competitive advantages reside in its skilled workforce and cost-effective production methods.

India's major textile and apparel export destinations are USA, EU-27, and UK, which comprise approximately 50% of the country's exports in this sector. The country holds a 4.6% share in the global trade of textiles and apparel. In terms of employment, the textile and clothing industry is the second-largest employer in India, with over 45 Million individuals employed directly and an additional 100 Million employed indirectly in related industries.

According to a recent report by IMARC, the Indian textile and apparel industry has reached a market size of USD 172.3 Billion in 2022. It is expected to reach a compound annual growth rate (CAGR) of 14.59% in 2028, with an estimated market value of USD 387.3 Billion in 2028. This impressive growth can be attributed to several factors, such as the increasing demand for high-quality clothing and footwear, the Government's implementation of schemes to empower weavers, and the growing popularity of ethically sourced sustainable materials.

*(Source: <https://www.imarcgroup.com/indian-textilesapparelmarket#:~:text=The%20Indian%20textile%20and%20apparel%20market%20was,US%24%20172.3%20Billion%20in%202022.>)*

### **Man-Made Fiber**

After China, India ranks as the world's second-largest producer of man-made fibres. The man-made fibre value chain in India is vertically integrated, encompassing upstream and downstream linkages that span from raw materials to finished goods. The majority of India's domestic man-made fibre (MMF) industry is made up of polyester and viscose, accounting for approximately 94% of the industry's volume. Demand for MMF is expected to increase due to factors, such as its use in non-wovens and technical textiles, changing consumer trends, and the rising popularity of fitness and hygiene products.

Although India's traditional emphasis is on cotton textiles, there is a rising global demand for MMF, necessitating the need for the country's textile industry to adapt. India's exports of MMF textiles and apparel were USD 9.56 Billion for 2021-22, and have further potential to grow. To support the growth and employment potential of the MMF sector, the Production Linked Incentive (PLI) Scheme for textiles has been implemented with an approved outlay of ₹ 10,683 Crore over five years. This scheme aims to promote the production of MMF apparel, fabrics, and technical textile products in India to improve the sector's competitiveness. The increased availability of MMF and MMF yarn is expected to contribute to the overall growth of India's textile industry using mixed fibres and yarn.

*(Source: [https://texmin.nic.in/sites/default/files/English%20Final%20MOT%20Annual%20Report%202022-23%20%28English%29\\_0.pdf](https://texmin.nic.in/sites/default/files/English%20Final%20MOT%20Annual%20Report%202022-23%20%28English%29_0.pdf))*

### **Cotton Yarn**

Cotton is the predominant segment of India's yarn industry, accounting for over 50% of its market share. The growth of the textile sector is expected to have a positive impact on the yarn market, particularly in the cotton yarn segment, which holds a major share of the apparel industry. With the population increasing and purchasing power strengthening, the apparel industry is anticipated to expand further. This is further projected to create a higher demand for cotton yarn in the textile manufacturing industry. Consumers in Tier-I and some Tier-II cities are increasingly seeking innovative designs, styles, and comfortable fits. To keep up with this demand, there has been an increase in innovative manufacturing that incorporates the latest fabrication technology. Established players in the market are facing competition not only from unorganised players catering to 60-65% of total demand but also from new and emerging brands.

*(Source: [https://texmin.nic.in/sites/default/files/English%20Final%20MOT%20Annual%20Report%202022-23%20%28English%29\\_0.pdf](https://texmin.nic.in/sites/default/files/English%20Final%20MOT%20Annual%20Report%202022-23%20%28English%29_0.pdf))*

### **GOVERNMENT INITIATIVE**

The textile and apparel industry holds immense socioeconomic significance in the Indian manufacturing sector. It is one of the largest employment generators and a significant contributor to the country's foreign earnings. Due to its

strategic importance to the Indian economy, the Government of India has implemented various initiatives to bolster its growth.

The Indian Government has been actively promoting the growth of the textile industry through various initiatives and schemes. These initiatives and schemes include Make in India, Production Linked Incentive (PLI), National Technical Textiles Mission, Government e-Marketplace (GeM), Mega Textile Parks, Skill India, Women's Empowerment, and Rural Youth Employment, among others. The objective of these schemes is to encourage technology upgrades, infrastructure creation, skill development, and overall sectoral development in the textile industry.

The Scheme for Capacity Building in Textile Sector (**SAMARTH**) was created to address the skilled workforce requirements of the textile industry. The scheme was developed in line with the Skill India initiative and aligned with the Ministry of Skill Development and Entrepreneurship's skilling programme framework. SAMARTH has been approved for implementation until March 2024.

The Amended Technology Upgradation Fund Scheme (**ATUFS**) was launched in January 2016 to promote the promote ease of doing business in India, generate employment, and encourage exports through the 'Make in India' initiative. The scheme provides a creditlinked Capital Investment Subsidy (CIS) to units in the textile sector (excluding spinning) for the purchase of benchmarked machinery. The goal is to achieve 'Zero effect and Zero defect' in manufacturing.

The Pradhan Mantri Mega Integrated Textile Region and Apparel (**PM MITRA**) Scheme was approved by the Indian Government to establish seven textile parks in greenfield and brownfield sites, with an outlay of ₹ 44.45 Billion over a period of seven years, up to 2027-28. The goal of PM MITRA is to enhance the competitiveness of the Indian textile industry, attract significant investment, and boost employment generation. The most recent edition of the scheme aims to build a total of 65 textile parks in India.

The Production Linked Incentive (PLI) Scheme has been introduced to promote the production of MMF apparel, MMF fabrics, and technical textile products in India. The scheme's goal is to create 60-70 global players, attract fresh investment of approximately ₹ 190 Billion, and generate almost 750,000 new employment opportunities in the country.

The Indian Government has approved the continuation of the Rebate of State and Central Taxes and Levies (RoSCTL) for apparel/garments, and made-up exports at the same rates as issued by the Ministry of Textiles until 31st March 2024. This decision aims to provide a tax rebate on outbound shipments to garment exporters, thereby boosting the competitiveness of the labour-intensive textile industry.

Free Trade Agreement: The Ind-AUS ECTA is expected to boost India's textile and apparel exports significantly, with projections indicating an increase to USD 1,100 Million within the next three years. This agreement is poised to positively impact the Indian textile industry by facilitating increased trade between India and Australia.

## KEY GROWTH DRIVERS

- Basic materials, including cotton, wool, silk, and jute, are widely available.
- Exports demand is on the rise for the Indian textile industry globally.
- India enjoys a comparative advantage in terms of skilled workforce and cost of production, relative to major textile producers.
- The Indian textile industry has been investing in technology and modernising its operations to improve efficiency, productivity, and quality.
- The Indian Government has approved 100% FDI in the textile industry under an automatic route
- Domestic demand for the industry has been stimulated by a growing population, rising per-capita income, and evolving tastes and lifestyles.

## COMPANY OVERVIEW

The manufacturing facility of the Company is situated at F-483 to F-487, RIICO Growth Centre, Hamirgarh, of Bhilwara District in Rajasthan State (Unit/Plant-1) and B-24 to 41, Industrial Area, Jhanjharwada, of Neemuch District in Madhya Pradesh State (Unit/Plant-2). The Company has at present installed 123 Air Jet Looms having capacity to produce 22.5 million meters of fabric per annum in Unit-1. We have continuously expanded and modernized our facilities in line with industry trend. The plant is equipped with modern and automatic plant and machinery. The level of advancement determines the productivity of machines and labour, which in turn, determines the production operating cost and profitability of the Company.

During the year 2022-23 the Company commenced the commercial production of denim & finishing processing plant at Jhanjharwara, Neemuch, Madhya Pradesh (Unit-2), with annual capacity of converting approximately 21.75 million metric meters of denim fabric, which is the forward integration of its existing business. The above plant is currently running at its optimum capacity, due to which the Company has been able to spread their business nationwide, the results of which seen clearly in the turnover for the financial year end on 31<sup>st</sup> March, 2023.

## OPERATIONAL PERFORMANCE

- The Company has recorded total revenue from operations during the Financial year 2022-23 of Rs. 21,929.19 Lakh against the total revenue of Rs. 12883.15 Lakh in the previous financial year 2021-22.
- The Total expenses of the Company during the financial year 2022-23 is Rs.21,231.39 Lakh against the expenses of Rs. 12320.81 Lakh in the previous financial year 2021-22.
- The Profit after tax is Rs.553.71 Lakh for the financial year 2022-23 as compare to Rs. 457.31 Lakh Lakh in the previous financial year 2021-22

## OPPORTUNITIES

### Growing global demand

India is a major exporter of textile and apparel products, with increasing demand from countries, such as USA, Europe, and Japan. This presents opportunities for businesses to expand their exports and tap into the growing global market. This is supported by the Government's signing of economic cooperation and trade agreements with countries like Australia and the UAE, where now exports face zero duty.

### Skilled workforce

India has a comparative advantage in terms of a skilled workforce in the textile and apparel sectors. The availability of skilled labour at a lower cost presents an opportunity for manufacturers to produce quality products at a competitive price.

### Rising per capita fiber consumption

The demand for environmentally friendly fibres has experienced exponential growth, coupled with a surge in their per capita usage. This can be attributed to the increasing average disposable income of households, evolving textile trends, and the global urbanisation phenomenon. These factors have resulted in higher demand for high-quality fibres and textiles. Furthermore, both consumers and retailers are seeking a broader variety of fibres and yarns to meet their diverse needs.

## THREATS

### Fluctuating demand

The demand for textile and apparel products can be volatile, particularly in response to changes in fashion trends, economic conditions, and consumer preferences. This can impact businesses that are not able to adapt quickly to changing market conditions.

### **Unfavorable Natural Conditions**

A huge amount of raw material in the textile industry comes from agriculture. Thus, unfavourable climatic conditions like floods, droughts, and unseasonal rains affect the availability, quality, and prices of raw materials, which adversely affects the industry.

### **Environmental Compliance**

Globally, the textile industry is the second-largest consumer of water, following the agricultural sector. Moreover, the industry extensively uses harsh chemicals that are non-biodegradable and environmentally hazardous. As a result, the trend towards sustainability and eco-friendliness has been gaining momentum, with Governments imposing stringent regulations to ensure compliance with environmental standards.

### **Fragmented Unorganized Sector**

The Indian textile industry is highly fragmented, with the unorganised sector and small to medium-sized businesses as the dominant players. Unlike its neighbour Bangladesh, where the average factory houses 500 machines, the average size of a textile unit in India is only 100 machines.

### **RISK AND CONCERNS**

The Textile Industry is extremely labour intensive. The availability of labour continues to be challenging for the industry, across the value chain. Furthermore, the rigid labour laws and increasing wages are also a hindrance.

Indian weaving industry apart from profitability pressure, high cotton price would increase yarn prices and it will translate into higher working capital requirements and hence borrowings and it will translate into weaker credit metrics. Cost of power is another vital component to impact on overall profitability of the Company. Apart from these, the Company is also surrounded by other risks like economic downturn, quality risk, availability of skilled personnel, competition risk, technology risk etc.

The Company believes that an effective, consistent and sustainable risk management framework is essential part of the work culture. Risk management must be fully integrated into the organization's governance policies. A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non business risks.

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

The Company has put in place an adequate system of internal control commensurate with its size and nature of business to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal control system and monitors them in accordance with the policy adopted by the Company. The Audit Committee of the Board of Directors, Statutory Auditor and Department Heads are appraised of the internal audit finding and corrective action is taken thereon. The audit observations and the management's responses are placed before the Audit Committee. We believe that our internal financial control system provides reasonable assurance that our internal financial control is designed effectively and is operating as intended.

### **SEGMENT WISE AND PRODUCT WISE PERFORMANCE**

The company's primary's business segment is manufacturing of denim/synthetic/cotton fabric although the company engaged in trading of yarn, Grey & Finished Fabric and weaving on job work basis. The Company has no activity outside India hence the total revenue of the Company is Domestic revenue

(Rs. in lakh)

<b>Revenue from operations</b>	<b>2022-23</b>	<b>2021-22</b>
Grey Sales	43.07	10428.73
Finish Fabric	17,721.23	936.83
Yarn Sales	2,235.05	14.52
Sale of Service (Job Work)	1929.94	1503.07

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company had cordial and harmonious industrial relations at all levels of organizations. The company believes that the industry has the tremendous potential to impact the society, nation and the world positively. Its employees are major stakeholders and their efforts have direct stake in the business

prospectus of the organization. The employees have extended a very productive cooperation in the efforts of the management to carry the company to greater heights. The Company considers employees as their biggest competitive advantages. The Company takes initiative like training and development for its people to increase the performance. The Company has taken various steps to improve and enhance skill of its people. The industrial relations remained cordial in our plant. The Company has continued to give special attention to human resources and overall development. The strengths of the Company's workplace at the end of financial year was **514**. This includes both skilled and unskilled manpower.

## **KEY FINANCIAL RATIO**

Pursuant to Schedule V to the SEBI Listing Regulations, details of significant changes (i.e. a change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefore are given below:

<b>Particulars</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Debtors Turnover	06.20	09.46
Inventory Turnover	04.46	04.23
Interest Coverage Ratio	02.43	03.93
Current Ratio	01.26	02.59
Debt Equity Ratio	01.72	01.22
Operating Profit Margin	07.38%	07.05%
Net Profit Margin	02.52 %	03.55 %
Return on Net-worth	08.41%	07.58%

## **CAUTIONARY STATEMENT**

Certain statement made in this report describing Company's Objective, Projects, estimates and expectations may be forward looking statement within the applicable laws and Regulations. Actual results may differ from such expectations and forward looking statement due to various risk and uncertainties. Several factors affecting company's operation like economic condition affecting demand and supply, Government regulations and Tax Laws, Competitions prevailing at the relevant time, natural calamities etc. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events

**ANNEXURE - 4**  
**PARTICULARS OF EMPLOYEES**

Information required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

**A. Ratio of remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration for the financial year 2022-23 is as follows:**

Sr. No.	Name	Designation	Remuneration for the year 2022-23 (In Rs.)	Remuneration for the year 2021-22 (In Rs.)	% increase in Remuneration	Ratio of remuneration of Director to the Median remuneration
1.	Mr. Mohammed Sabir Khan	Chairman & Managing Director	60,00,000	2400000	150	30.53 : 1
2	Mrs. Samar Khan	Whole Time Director	60,00,000	2400000	150	30.53: 1
3.	Mr. Nasir Khan	Whole Time Director	60,00,000	2400000	150	30.53: 1
4.	Mrs. Annie Zuberi	Independent Director	80,000	#	-	-
5.	Mrs. Amreen Sheikh	Independent Director	80,000	#	-	-
6.	Mr. Ramesh Agarwal	Independent Director	80,000	#	-	-

**B. Percentage increase in remuneration of Chief Financial Officer and Company Secretary for the financial year 2022-23 is as follows:**

S r . No.	Name	Designation	Remuneration for the year 2022-23 (In Rs.)	Remuneration for the year 2021-22 (In Rs.)	% increase in Remuneration	Ratio of remuneration of Director to the Median remuneration
1.	Mr. Prakash Chandra Jain	Chief Financial Officer	4,51,000	4,11,600	09.57	02.30 : 1
2	Mr. Rahul Kumar Verma	Company Secretary	7,54,000	4,83,500	55.96	03.84 : 1

**Notes-**

1. The aforesaid details are calculated on the basis of remuneration paid during the financial year 2022-23.
2. Median remuneration of the Company for all the employees who were there in employment throughout the year (199 employees) is Rs.1,96,500/- for the financial year 2022-23.
3. # % of increase in remuneration not given Mrs. Annie Zuberi, Mrs. Amreen Sheikh and Mr. Ramesh Agarwal were appointed as an Independent Directors w.e.f. 05.10.2021
4. The remuneration to Directors is within the overall limits of Schedule V of the Companies Act, 2013.

**C. Percentage increase in the median remuneration of employees in the financial year 2022-23: 16.18 %**

**D. Number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2023 : 514.**

**E. Affirmation that the remuneration is as per the Remuneration Policy of the Company**

The Company affirms that remuneration is as per the remuneration policy of the Company.

**ANNEXURE -5**
**DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION PAID**

[As per Section 197(12) read with the rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

S. No.	Name	Designation/ Department	Annual Remuneration	Date of Joining	Qualification	Experience	Age	Regular/ Contractual	Last Employment
1	Mr. Mohammed Sabir Khan	Managing Director	6000000	01/08/2014*	B.Com.	23	49	Contractual	-
2	Mr. Nasir Khan	Executive Director	6000000	01/12/2016*	10+2	06	25	Contractual	-
3	Mrs. Samar Khan	Executive Director	6000000	01/08/2014*	10+1	19	44	Contractual	-
4	Ms. Aliya Khan	General Manager	1800000	01/10/2018	B.Com.	04	23	Regular	-
5	Mr. Rishabh Kothari	Chief Engineer	1040000	01/05/2021	B. Tech	13	34	Regular	Manomay Tex India Limited
6	Mr. D Salamon Devagugan	DGM (Production)	840000	01/03/2022	M. Tech	29	48	Regular	Kanchan India Pvt. Ltd.
7	Mr. Rahul Kumar Verma	Company Secretary	754000	01/01/2021	CS, M.Com., LLM, DLL	06	31	Regular	Modway Suiting Private Limited
8	Mr. Radheshyam Nath Chavda	Electrical Engineer	672903	01/03/2022	10+2	21	41	Regular	Manomay Tex India Limited
9	Mr. Rajesh Kumar	General Manager - Production	642300	23/10/2012	10+2	26	42	Regular	OstwalDenims Limited
10	Mr. Mohammed Suhail	Purchase Manager	600000	01/06/2021	B.Com	04	38	Regular	-

**Notes-**

1. None of the employee was in receipt remuneration in excess of remuneration drawn by the Managing and Whole Time Directors and holding by himself or along with his spouse and dependent children, 2 % or more of the paid -up capital of the Company.
2. None of the employee was in receipt remuneration of Rs. 1,02,00,000/- or more for whole financial year and was in receipt remuneration of Rs. 8,50,000/-per month or more for a part of the financial year.

\* Mr. Mohammed Sabir Khan appointed as Managing Director, Mrs. Samar Khan & Mr. Nasir Khan appointed as Executive Director of the Company w.e.f. 01.01.2021.

**ANNEXURE 6**

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

*(Pursuant to Rule 8(3) of the Companies (Accounts) Rules, 2014)*

PARTICULARS	Current Year	Previous Year
<b>A: CONSERVATION OF ENERGY</b>	The Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.	
<b>Electricity</b>		
a. Purchase Units (in Lakh)	133.67	115.13
Total Amount (in Lakh)	929.24	788.84
Rate/Unit (Amount in Rs)	6.95	06.85
b. Own Generation	-	-
Through Diesel generator		
Unit (In lakh)	-	-
Unit Per ltr. of diesel oil	-	-
Cost / Unit (Amount in Rs)	-	-
<b>B. Consumption per unit of production</b>		
(Product Synthetic, Cotton etc. Fabrics)		
Electricity unit/mtr.	00.59	00.74
<b>B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION</b>	Company is regularly investing and importing newer processing machinery to upgrade the technology and give value added products.	
Expenditure incurred on R&D during the year.		
-Capital Expenditure (in lacs)	3226.56	186.94
-Recurring Expenditure -	The expenditure form the part of general expenses of the company, the precise amount is not quantifiable.	
<b>C. FOREIGN EXCHANGE EARNINGS AND OUTGO.(in lakh)</b>		
Foreign exchange earnings	-	-
Foreign exchange outgo	697.63	3.33

For and on behalf of the Board of Directors

Sd/-  
**Mohammed Sabir Khan**  
Chairman and Managing Director  
Bhilwara, September 08, 2023

**ANNEXURE 7**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

**1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken:**

The CSR activities of the Company are carried out directly and through contribution/donation made to other organisation/institution for the activities specified under Schedule VII of the Companies Act, 2013. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same has been placed at the website of the Company i.e. [www.swarajsuiting.com](http://www.swarajsuiting.com) under the link "Investor Desk'---'Policies'--'-CSR Policy". As per CSR policy the Company endeavours to make CSR a key business process for sustainable development and continuously enhance shareholders wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that creates a sustained positive impact on society. Our Company's CSR Committee believes that it is important for the organization to focus on philanthropic activities in terms of animal welfare, prevention from hunger & poverty, promotion of educational activities, empowering women, making available safe drinking water, setting up old age homes, environment protection, health care etc.

**2. Composition of the CSR Committee**

S. N.	Name of Director	Designation/Nature of Directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mrs. Amreen Sheikh	Chairperson Independent Director	1	1
2	Mr. Mohammed Sabir Khan	Member Managing Director	1	1
3	Mr. Nasir Khan	Member Whole Time Director	1	1

**3. Details of web-link where composition of CSR committee, CSR policy and CSR projects approved by the Board:**

CSR details are available under the link <https://www.swarajsuiting.com/management-committee>

**4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:**

Not applicable

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

No amount available for the set off for the financial year

**5.**

(a) **Average net profits of the Company as per Section 135(5):**

Financial year	(₹ in lakh) Profit
2019-20	390.74
2020-21	325.30
2021-22	609.58
Total	1325.62
Average profit of above said profit	441.87

(₹ in lakh)

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	8.84
(c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years.	0
(d) Amount required to be set-off for the financial year, if any.	0
(e) Total CSR obligation for the financial year [6(b)+(c)-(d)]	8.84

**6. (a) Details of CSR amount spent against the ongoing project for the financial year:**

No CSR amount spent against ongoing projects for the financial year.

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

S. No.	Name of the project	Item form the list of activities in Schedule VII of the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)	Mode of implementation- through implementing agency	
				State	Distt.			Name	CSR Reg. No.
1	School & education development	Promoting children education	Yes	Rajasthan	Bhilwara	9,65,000	No	Jan Jagrati Sevarth Sansthan	CSR00006903
TOTAL						9,65,000			

(b) Amount spent in Administrative Expenses:	: Nil
(c) Amount spent on Impact Assessment, if applicable	: Nil
(d) Total amount spent for the financial year	: Rs.9,65,000/-

**(e) CSR amount spent or unspent for the financial year**

Total Amount Spent for the Financial Year. (₹ in lakh)	Amount Unspent ( Rs. in lakh)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs.9.65 Lakh	Nil	N.A.	N.A.	Nil	N.A.

**(f) Excess amount for set-off, if any:**

Sl. No.	Particular	Amount (₹ in lakh)
(a)	Two percent of average net profit of the company as per sub-section (5) of section 135.	08.84
(b)	Total amount spent for the year Financial Year	09.65
(c)	Excess amount spent for the Financial Year [b-a]	00.81
(d)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	00.00
(e)	Amount available for set off in succeeding Financial Years [c-d]	00.81

7. **Details of unspent CSR amount for the preceding three financial years : N.A.**
8. **Details of creation or acquisition of capital assets created or acquired through CSR amount spent in the Financial Year:**  
*No assets created or acquired through CSR amount spent in the financial year*
9. **Reason for unspent amount two percent of the average net profit as per Section 135(5):**  
*Company is not carrying any unspent amount for the Financial Year*

For and on behalf of the Board of Directors

For and on behalf of the CSR Committee

Sd/-

**Mohammed Sabir Khan**  
Managing Director  
DIN:00561917

Sd/-

**Amreen Sheikh**  
Chairperson

**Date:** September 08, 2023

**Place:** Bhilwara

**DECLARATION AS REQUIRED UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

All Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Directors and Senior Management of Swaraj Suiting Limited for the financial year ended 31<sup>st</sup> March, 2023.

**Place :** Bhilwara  
**Date:** September 08, 2023

**Sd/-**  
**(Mohammed Sabir Khan)**  
Managing Director  
DIN:00561917

## Independent Auditor's Report

To  
The Members  
**M/S SWARAJ SUITING LIMITED**

### Report on the Audit of the Standalone Financial Statements

#### **Opinion**

We have audited the accompanying standalone financial statements of SWARAJ SUITING LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its profit/loss and cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, Profit/Loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors are 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
  - g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in



writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- v. The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- vii. No dividend have been declared or paid during the year by the company.

**FOR: S.K. TOSHNIWAL & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 008852C**

**PLACE: BHILWARA**  
**DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]**  
**PARTNER**  
**M. NO.: - 078136**  
**FRN: 008852C**  
**UDIN:- 23078136BGXYTE3405**

## Annexure 'A'

### The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - (B) The company is in the process of acquiring intangible assets (Software) so records related to same are properly maintained.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than 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) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory was noticed on physical verification of stocks by the management as compared to book records.
- (b) During the year company has been sanctioned/Renewed working capital limits in excess of five Crore rupees on the basis of security of current assets. As explained to us Company is regular in submission of quarterly statements to bank. As explained by the management and based on review of Stock statements submitted to bank. We are of the opinion that data provided in stock statement are as per best available quantities subject to physical verification. There is no material difference between stock statement submitted to bank and books of accounts, although minor difference can arise due to method of valuation, Physical verification, return of goods, shortage, wastage, ABC analysis of stock, Debit and credit notes and reconciliation of debtors and creditors. There are no material differences which require specific reporting.
- (iii) During the year the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made there under.
- (vi) As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and such accounts and records have been so made and maintained. However, we have not, carried out a detailed examination of the records to ascertain whether they accurate or complete.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory

- dues as on 31st of March, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute .
- (viii) According to the information and explanations given by the management, No transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender;
- (c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised money by way of initial public offer or further public offer (including debt instruments ) during the year .
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi)(a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) There is no case, hence no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company during the year.
- (xii) The company does not fall under the category of Nidhi company, hence provisions specified in Nidhi rule, 2014 are not applicable to the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards;
- (xiv)(a) According to the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business in accordance with section 138 of Companies Act 2013;
- (b) We have considered the reports of the Internal Auditors issued for the period under audit.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 198 of the Act.
- (xvi)(a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 .

- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India , hence para (c) and (d) is not applicable to the company.
- (xvii) Based on our examination, the company has neither incurred cash losses in the current financial year nor in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) In our opinion and on the basis of ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, no material uncertainty exists as on the date of audit report that company is capable of meeting its liabilities which exist at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act 2013, pursuant to any project, hence clauses 3(xx)(a) and 3(xx)(b) of the Companies (Auditors Report) Order 2020 are not applicable to the Company.

**FOR: S.K. TOSHNIWAL & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 008852C**

**PLACE: BHILWARA**  
**DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]**  
**PARTNER**  
**M. NO.: - 078136**  
**FRN: 008852C**  
**UDIN:- 23078136BGXYTE3405**

## ANNEXURE 'B'

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

#### Opinion

We have audited the internal financial controls over financial reporting of SWARAJ SUITING LIMITED as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my / our audit. I / We conducted my / our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I / 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 over Financial Reporting

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

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**FOR: S.K. TOSHNIWAL & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 008852C**

**PLACE: BHILWARA  
DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]  
PARTNER  
M. NO.: - 078136  
FRN: 008852C  
UDIN:- 23078136BGXYTE3405**

Balance Sheet as at 31st March 2023

Particulars	Note No.	₹ in lakhs	
		As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	1	720.01	720.01
Reserves and surplus	2	5,867.48	5,313.77
Money received against share warrants			
		<b>6,587.49</b>	<b>6,033.78</b>
<b>Share application money pending allotment</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	3	5,564.97	5,876.42
Deferred tax liabilities (Net)	4	92.27	29.33
Other long term liabilities			
Long-term provisions	5	98.93	68.31
		<b>5,756.16</b>	<b>5,974.06</b>
<b>Current liabilities</b>			
Short-term borrowings	6	5,774.70	1,513.14
Trade payables	7		
(A) Micro enterprises and small enterprises			
(B) Others		4,483.49	254.91
Other current liabilities	8	252.51	163.12
Short-term provisions	5	147.72	197.04
		<b>10,658.42</b>	<b>2,128.21</b>
<b>TOTAL</b>		<b>23,002.08</b>	<b>14,136.05</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment and Intangible assets	9		
Property, Plant and Equipment		8,052.91	3,675.79
Intangible assets			
Capital work-in-Progress		309.62	4,090.85
Intangible assets under development		37.98	
Non-current investments	10	261.75	261.75
Deferred tax assets (net)	4		
Long-term loans and advances	11	52.02	50.03
Other non-current assets	12	848.69	542.71
		<b>9,562.96</b>	<b>8,621.14</b>
<b>Current assets</b>			
Current investments			
Inventories	13	6,809.92	3,026.93
Trade receivables	14	5,665.05	1,409.09
Cash and cash equivalents	15	42.77	210.39
Short-term loans and advances	11	921.38	868.51
Other current assets			
		<b>13,439.12</b>	<b>5,514.92</b>
<b>TOTAL</b>		<b>23,002.08</b>	<b>14,136.05</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS**

The accompanying notes forming part of financial statements

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

For & and on behalf of board of directors

Statement of Profit and loss for the year ended 31st March 2023

₹ in lakhs

Particulars	Note No.	31st March 2023	31st March 2022
<b>Revenue</b>			
Revenue from operations	16	21,929.29	12,883.15
Less: Excise duty			
<b>Net Sales</b>		<b>21,929.29</b>	<b>12,883.15</b>
Other income	17	63.47	47.24
<b>Total Income</b>		<b>21,992.76</b>	<b>12,930.39</b>
<b>Expenses</b>			
Cost of material Consumed	18	13,633.83	8,682.28
Purchase of stock-in-trade	19	3,871.66	859.56
Changes in inventories	20	(2,007.73)	205.18
Employee benefit expenses	21	979.45	590.82
Finance costs	22	861.92	302.27
Depreciation and amortization expenses	23	788.03	471.63
Other expenses	24	3,104.22	1,209.08
<b>Total expenses</b>		<b>21,231.39</b>	<b>12,320.81</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>761.37</b>	<b>609.58</b>
Exceptional items			
<b>Profit before extraordinary and prior period items and tax</b>		<b>761.37</b>	<b>609.58</b>
Extraordinary items			
Prior period item			
<b>Profit before tax</b>		<b>761.37</b>	<b>609.58</b>
<b>Tax expenses</b>			
Current tax	25	144.72	196.54
Deferred tax	26	62.94	(44.27)
Excess/short provision relating earlier year tax			
<b>Profit(Loss) for the period</b>		<b>553.71</b>	<b>457.31</b>
<b>Earning per share-in ₹</b>			
<b>Basic</b>	<b>30</b>		
Before extraordinary Items		7.69	6.35
After extraordinary Adjustment		7.69	6.35
<b>Diluted</b>			
Before extraordinary Items			
After extraordinary Adjustment			
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	<b>31</b>		

The accompanying notes forming part of financial statements

For & and on behalf of board of directors

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2023

₹ in lakhs

PARTICULARS		31st March 2023	31st March 2022
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	761.37	609.58
	<b>Adjustments for non Cash/ Non trade items:</b>		
	Depreciation & Amortization Expenses	788.03	471.63
	Finance Cost	861.92	302.27
	Interest received	(5.93)	(5.81)
	Other Inflows / (Outflows) of cash	30.62	1,363.52
	<b>Operating profits before Working Capital Changes</b>	<b>2,436.00</b>	<b>2,741.18</b>
	<b>Adjusted For:</b>		
	(Increase) / Decrease in trade receivables	(4,255.95)	(94.39)
	Increase / (Decrease) in trade payables	4,228.58	(665.80)
	(Increase) / Decrease in inventories	(3,782.99)	39.14
	Increase / (Decrease) in other current liabilities	(104.65)	(8.87)
	(Increase) / Decrease in Short Term Loans & Advances	(52.87)	(508.78)
	<b>Cash generated from Operations</b>	<b>(1,531.89)</b>	<b>1,502.48</b>
	Income Tax (Paid) / Refund		
	<b>Net Cash flow from Operating Activities(A)</b>	<b>(1,531.89)</b>	<b>1,502.48</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of tangible assets	(5,621.70)	(4,662.73)
	Proceeds from sales of tangible assets	4,237.79	
	Interest Received	5.93	5.81
	Purchase of intangible assets	(37.98)	
	Cash advances and loans made to other parties	(1.98)	(14.07)
	Other Inflow / (Outflows) of cash	(305.98)	(21.83)
	<b>Net Cash used in Investing Activities(B)</b>	<b>(1,723.92)</b>	<b>(4,692.83)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Finance Cost	(861.92)	(302.27)
	Increase in / (Repayment) of Short term Borrowings	4,261.56	(272.16)
	Increase in / (Repayment) of Long term borrowings	(311.45)	3,473.29
	Increase / (Decrease) in share capital		496.99
	<b>Net Cash used in Financing Activities(C)</b>	<b>3,088.18</b>	<b>3,395.85</b>
<b>D.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>(167.63)</b>	<b>205.50</b>
<b>E.</b>	Cash & Cash Equivalents at Beginning of period	210.39	4.89
<b>F.</b>	Cash & Cash Equivalents at End of period	42.76	210.39
<b>G.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(F-E)</b>	<b>(167.63)</b>	<b>205.50</b>
<b>H.</b>	<b>Difference (F-(D+E))</b>		

The accompanying notes forming part of financial statements

For & and on behalf of board of directors

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

**Note:**

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

## **SWARAJ SUITING LIMITED**

### **NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

#### **1. ACCOUNTING CONVENTIONS**

The financial statements are prepared on historical cost convention and on the accounting principles of going concern, in accordance with Generally Accepted Accounting Principles ('GAAP'), comprising of the mandatory Accounting Standards, Guidance Notes, etc. issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, on accrual basis, as adopted consistently by the company.

#### **2. USE OF ESTIMATE**

In preparation of the financial statement in confirmatory with Generally Accepted Accounting Principle in India, management is required to make estimate & assumptions that affect the reported amount of assets & liability and the disclosure of contingent liabilities as at the financial reporting date. The amount of revenue & expenditure during the reported period and that of actual result could be different from those estimates. Any revision to such estimate is recognized in the period in which the same is determined.

#### **3. REVENUE RECOGNITION**

- (A) Sales revenue is recognized when property in the goods with all significant risk and rewards as well as the effective control of goods usually associated with ownership are transferred to the buyer.
- (B) Promotional benefits, export incentives and export growth incentives are accounted for on accrual basis when virtual certainty and their probable use within reasonable time in the normal course of business, is established.
- (C) Claims and refunds due from government authorities and parties, though receivable/refundable are not recognized in the accounts, if the amount thereof is not ascertainable. These are accounted for as and when ascertained or admitted by the concerned authorities / parties in favour of the company.

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

- (A) Property, Plant And Equipment are stated at their original cost of acquisition including freight, incidental expenses and other nonrefundable taxes or levies related to acquisition and installation of the concerned assets, interest on borrowed funds attributable to acquisition/construction of fixed assets and related pre-operative expenses up to the date of commencement of commercial production are also capitalized wherever appropriate. GST Input Claim has been deducted from the cost of respective assets. Any subsidy receivables from government are deducted from cost of capital asset at the time of capitalization of the asset.
- (B) Expenditure incurred on acquisition of intangibles is accounted for as intangible assets on completion, being identifiable non-monetary assets without physical substance, at the acquisition cost, in accordance with AS-26 on intangible assets.

#### **5. DEPRECIATION & AMORTISATION**

- (A) Depreciation has been provided on the Straight-line-method over the useful lives of assets estimated by the management. Depreciation for assets purchased/ Sold during a period is proportionately charged. In most of the cases Useful lives of assets are taken as prescribed by the schedule II of the companies act except where certificate of any technical expert regarding higher useful life is taken by the management. In current year Life of newly installed Machines are taken as 12.5 Years based on technical evaluation and certificate of technical expert.
- (B) Depreciation on plant & Machinery is charged considering the same 'Continuous Process Plant' based on technical expert's advice.
- (C) Residual value of the assets is determined at the rate of 5% of original cost.

#### **6. PRE-OPERATIVE EXPENSES**

Trial run costs and other pre-operative expenses incurred during construction / implementation period, including interest on borrowings (Net of subsidy) to finance qualifying assets as per AS-16, are capitalized up to the date of commissioning of the respective asset.

## 7. TAXATION

- (A). **Current Tax:** Provision for taxation is ascertained after considering Section 115BAA , The section 115BAA was introduced by the Government of India through the Taxation (Amendment) Ordinance 2019 on the 20th of September 2019
- (B). **Deferred Tax:** Deferred tax is recognized, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting years' timing differences, subject to the consideration of prudence. Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses which are recognized to the extent that there is deferred tax liabilities or there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## 8. INVESTMENT

Investments are stated at cost.

## 9. VALUATION OF INVENTORY

- (A) Inventories are valued at cost and net realizable value whichever is lower.
- (B) Cost is determined on FIFO/Weighted average method.
- (C) The cost of inventories comprises all cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to their present location and condition.
- (D) Merchandise received under consignment and concessionaire arrangements belong to the consignors/ concessionaires and are therefore excluded from the Company's inventories
- (E) All other inventories of stores, consumables are valued at cost

## 10. PROVISIONS, CONTINGENT LIABILITY & CONTINGENT ASSETS

- (A) Provisions involving substantial degree of estimation in measurement, are recognized when the present obligation of or past events gives rise to a probable outflow embodying economic benefits on settlement and the amount of obligation can be reliably estimated.
- (B) Contingent liabilities are disclosed after a careful evaluation of facts and legal aspects of the matter involved.
- (C) Contingent assets are neither recognized nor disclosed in financial statements.
- (D) Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### DETAILS OF CONTINGENT LIABILITIES

#### A) Classification of Contingent liabilities:

- Claims against the company not acknowledged as debts	Nil
- Guarantees given by company	Nil
- Other money for which the company is contingently liable.	Nil

#### B) Classification of Commitments into:

- Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil
- Uncalled liability on shares and other investments partly paid	Nil
- Other commitments(specifying nature)	Export obligation of \$ 110.97 Lacs (Rs. 2425.51 Lacs) pending on account of import duty saved under EPCG scheme.

**Detail of Export Obligation Under EPCG**

S.NO	LICENCE NO.	DATE	Duty Save Amount (As Per Licence)	Duty Saved Amount Actual	E.O In \$ As Per Licence	E.O In \$ In Respect To Actual Duty Saved	Expiry Date
1	1330005675	29-11-2017	296.62	296.62	27.03	27.03	29-11-2023 *
2	1331000267	31-03-2021	958.43	958.43	104.10	104.10	31-03-2027
3	1331000993	31-03-2021	84.77	84.77	6.87	6.87	31-03-2027
<b>TOTAL</b>			<b>1,353.94</b>	<b>1,353.94</b>	<b>140.00</b>	<b>140.00</b>	

\*We have already completed the Export obligation but we are still awaiting redemption certificate from Govt. Authorities.

**11. PRELIMINARY EXPENSES**

Preliminary Expenses are written off over a period of 5 years in equal proportion from the date of commencement of commercial activity.

**12. EVENTS OCCURRING AFTER BALANCE SHEET DATE**

No significant events which could affect the financial position as on 31.03.2023 to a material extent have been reported by the Assesse, after the balance sheet date till the signing of report.

**13. PRIOR PERIOD AND EXTRAORDINARY ITEMS**

There are no material changes or credits which arise in the current period on accounts of errors and omission in the preparation of the financial statements for the one or more period.

**14. BORROWING COST**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. All other cost is recognized as expenses in the year in which they are incurred.

**15. EMPLOYEE BENEFIT EXPENSES**

**A) Defined Contribution Plan:** The Company makes defined contribution to provided fund which are accounted on accrual basis.

**B) Defined Benefit Plan:** The company's Liability on account of Gratuity of employee is determine at the end of each financial year on the basis of actuarial valuation certificate obtained from Registered Actuary in accordance with the measurement procedure as per revised accounting standard (AS) - 15 "Employee Benefit". The liability is funded on year to year basis by contribution to respective fund. The cost of providing benefit under this plan also determine on the basis of actuarial valuation at each year end.

**16. CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**17. IMPAIRMENT OF FIXED ASSETS**

Impairment of assets is being measured on factors giving rise to any indication of impairment, by comparing the recoverable amount, higher of value in use and net selling price of an asset, with carrying amount of an asset as per the Accounting Standard 28 "Impairment of Assets" issued by ICAI.

## 18. FOREIGN EXCHANGE TRANSACTION /TRANSLATION

- A) Foreign currency transactions arising during the year are recorded at the exchange rates prevailing on the dates of transactions.
- B) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Statement of Profit and Loss.
- C) All foreign exchange assets/Liabilities on the closing day are converted at closing exchange rate.
- D) Exchange loss on outstanding derivatives transaction are computed on mark to market basis on the closing date and accounted for as expenses of period. However gain is not recognized as income of the period, following conservative approach.

## 19. CASH AND CASH EQUIVALENTS

Cash and Cash equivalents for the purpose of cash flow statement comprise cash at bank, Cash in hand, Cheque in hand and other permissible instruments as per AS 3.

## 20. SEGMENT REPORTING

The dominant source of income of the company is from the manufacturing of fabric of various qualities which do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to AS17 -Segment Reporting issued by the ICAI are not applicable to the company

**Notes to Financial statements for the year ended 31st March 2023**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

**Note No. 2 Share Capital**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Authorised :</b>		
11500000 (31/03/2022:11500000) Equity shares of Rs. 10.00/- par value	1,150.00	1,150.00
<b>Issued :</b>		
7200130 (31/03/2022:7200130) Equity shares of Rs. 10.00/- par value	720.01	720.01
<b>Subscribed and paid-up :</b>		
7200130 (31/03/2022:7200130) Equity shares of Rs. 10.00/- par value	720.01	720.01
<b>Total</b>	<b>720.01</b>	<b>720.01</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**
**Equity shares**
**₹ in lakhs**

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	72,00,130	720.01	22,30,265	223.03
Issued during the Period				
Bonus issue			26,46,065	264.61
IPO			19,08,000	190.80
Right Issue			4,15,800	41.58
Redeemed or bought back during the period				
<b>Outstanding at end of the period</b>	<b>72,00,130</b>	<b>720.01</b>	<b>72,00,130</b>	<b>720.01</b>

**Right, Preferences and Restriction attached to shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of shareholders holding more than 5% shares in the company**

Type of Share	Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00 ]	Sakina Textile private limited	7,55,460	10.49	7,55,460	10.49
Equity [NV: 10.00 ]	Mohammed Sabir Khan	13,12,920	18.23	13,12,920	18.23
Equity [NV: 10.00 ]	Divine Suiting Private Limited	12,41,200	17.24	12,41,200	17.24
Equity [NV: 10.00 ]	Gomoto Textile Private Limited	9,03,700	12.55	9,03,700	12.55
Equity [NV: 10.00 ]	Jamuna Synthetics Private Limited	8,59,350	11.94	8,59,350	11.94
	<b>Total :</b>	<b>50,72,630</b>	<b>70.45</b>	<b>50,72,630</b>	<b>70.45</b>

**Details of shares held by Promoters**

Promoter name	Particulars	Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
		Number	%	Number	%		Number	%	Number	%	
MOHAMMED SABIR KHAN	Equity [NV: 10.00 ]	1312920.00	18.23	1312920	18.23	0.00	656460.00	29.43	1312920.00	18.23	-11.20
SAMAR KHAN	Equity [NV: 10.00 ]	184200.00	2.56	184200	2.56	0.00	92100.00	4.13	184200.00	2.56	-1.57

SAKINA TEXTILE PRIVATE LIMITED	Equity [NV: 10.00 ]	755460	10.49	755460	10.49	0.00	377730	16.94	755460	10.49	-6.45
DIVINE SUITING PRIVATE LIMITED	Equity [NV: 10.00 ]	1241200	17.24	1241200	17.24	0.00	620600	27.83	1241200	17.24	-10.59
ZAHIDA PARIHAR	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
SHABNAM KHAN	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
SHABANA AKHLAQUE MADNI	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
GOMOTO TEXTILES PRIVATE LIMITED	Equity [NV: 10.00 ]	903700	12.55	903700	12.55	0.00	451850	20.26	903700	12.55	-7.71
JAMUNA SYNTHETICS PRIVATE LIMITED	Equity [NV: 10.00 ]	859350	11.94	859350	11.94	0.00	13875	0.62	859350	11.94	11.32
<b>Total</b>		<b>5278130</b>		<b>5278130</b>			<b>2223265</b>		<b>5278130</b>		

**Note No. 3 Reserves and surplus**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Surplus</b>		
Opening Balance	1,603.48	1,146.17
Add: Profit for the year	553.71	457.31
Less : Deletion during the year		
<b>Closing Balance</b>	<b>2,157.19</b>	<b>1,603.48</b>
<b>Securities premium</b>		
Opening Balance	3,391.95	2,088.65
Add: Addition during the year		1,567.91
Less : Deletion during the year		264.61
<b>Closing Balance</b>	<b>3,391.95</b>	<b>3,391.95</b>
<b>Capital subsidy</b>		
Opening Balance	318.34	326.44
Add: Addition during the year		
Less : Deletion during the year		8.10
<b>Closing Balance</b>	<b>318.34</b>	<b>318.34</b>
<b>Balance carried to balance sheet</b>	<b>5,867.48</b>	<b>5,313.77</b>

**Note No. 4 Long-term borrowings**
**₹ in lakhs**

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Term Loan - From banks</b>						
Term loan from bank and financial institutions secured	4,669.58	1,157.30	5,826.88	5,333.22	882.25	6,215.47
	<b>4,669.58</b>	<b>1,157.30</b>	<b>5,826.88</b>	<b>5,333.22</b>	<b>882.25</b>	<b>6,215.47</b>
<b>Loans and advances from related parties</b>						
Loans directors Unsecured	379.24		379.24	421.65		421.65

	379.24		379.24	421.65		421.65
<b>Other Loans and advances</b>						
Loan from financial institution unsecured					7.45	7.45
Loan from corporates unsecured	516.15		516.15	121.55		121.55
	<b>516.15</b>		<b>516.15</b>	<b>121.55</b>	<b>7.45</b>	<b>129.00</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	4,669.58	1,157.30	5,826.88	5,333.22	882.25	6,215.47
Unsecured Borrowings	895.38		895.38	543.20	7.45	550.65
Amount Disclosed Under the Head "Short Term Borrowings" (Note No. 8)		(1,157.30)	(1,157.30)		(889.70)	(889.70)
<b>Net Amount</b>	<b>5,564.97</b>	<b>0</b>	<b>5,564.97</b>	<b>5,876.42</b>	<b>0</b>	<b>5,876.42</b>

**a. Term of Repayment of Loan**

**1) Term Loan-II from State Bank of India, Commercial Branch, Bhilwara**

[Repayable in 28 quarterly installments commencing on 30.03.2016 and ending on 31.03.2023 with first eight installments of Rs.15 Lacs each, next eight installments of Rs.20.00 Lacs each, next eight installments of Rs.28.00 Lacs each, & last four installments of Rs.35.00 Lacs each]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**2) Term Loan-I (BHL) from Bank of Baroda**

[Repayable in 30 quarterly installments commencing in Feb 19 and ending in May 19 with first ten installments of Rs.50 Lacs each, next eight installments of Rs.60.00 Lacs each & last twelve installments of Rs.65.00 Lacs each]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited.

**3) Term Loan-II (BHL) from Bank of Baroda**

[Repayable in 28 quarterly installments commencing in March 2021 and ending in December 2027 with 27 installments of Rs.3.80 Lacs each & last installment of Rs.2.40 Lacs]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**4) Vehicle Loans**

[Secured by the hypothecation of vehicle]

**5) GECL from Bank of Baroda**

(1 Year Moratorium, 35 monthly installments of 772000/- and last installment of 780000) (Secured by guarantee of Government of India)

**6) GECL from State Bank of India**

(1 Year Moratorium, 35 monthly installments of 1014000/- and last installment of 1010000, repayment beginning in September 2021) (Secured by guarantee of Government of India)

**7) GECL from Bank of Baroda**

(2 Years Moratorium , 36 Monthly installments of Rs 433333.33 after moratorium period is over )

**8) GECL from State Bank of India**

(24 Months Moratorium , 36 equal monthly installments of 500000/- beginning from 29 November, 2021)

**9) Term Loan-MP from Bank of Baroda**

(12 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.46 crs , next four quarterly installments of Rs 0.56 crs, next four quarterly installments of Rs 0.60 crs, next four quarterly installments of Rs 0.61 crs, next four quarterly installments of Rs 0.65 crs , next four quarterly installments of Rs 0.66 crs, next four quarterly installments of Rs 0.69 crs) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**10) Term Loan-MP from State Bank of India**

(15 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.34 crs , next four quarterly installments of Rs 0.42 crs, next four quarterly installments of Rs 0.44 crs, next four quarterly installments of Rs 0.46 crs, next four quarterly installments of Rs 0.49 crs , next four quarterly installments of Rs 0.50 crs, next four quarterly installments of Rs 0.52 crs) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**11) Term Loan-MP from Union Bank of India**

(12 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.42 crs , next four quarterly installments of Rs 0.52 crs, next four quarterly installments of Rs 0.56 crs, next four quarterly installments of Rs 0.58crs, next four quarterly installments of Rs 0.61 crs , next four quarterly installments of Rs 0.63 crs, next three quarterly installments of Rs 0.65 crs and last instalment of rs. 0.61 Crs.) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**Note No. 4(a) Long-term borrowings: Term loan from bank and financial institutions**

₹ in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term loan from SBI-2		71.00	71.00	84.64	126.00	210.64
GECL from BOB	134.33	21.67	156.00	155.94		155.94
GECL from SBI	155.00	25.00	180.00	180.00		180.00
Term loan_BOB_MP	1,340.00	214.00	1,554.00	1,400.50	92.00	1,492.50
CCECL From SBI					12.40	12.40
Term Loan_SBI_MP	1,006.00	126.00	1,132.00	985.32	68.00	1,053.32
Term Loan_Union Bank_MP	1,208.00	208.00	1,416.00	1,220.86	84.00	1,304.86
Term loan from BOB-1	649.25	250.00	899.25	890.19	240.00	1,130.19
Term loan from BOB-2	59.40	15.20	74.60	73.11	15.20	88.31
Vehicle loan	10.37	12.12	22.49	21.78	30.34	52.12
GECL from BOB	46.40	92.64	139.04	138.38	92.64	231.02
GECL from SBI	60.83	121.67	182.50	182.50	121.67	304.17
<b>Total</b>	<b>4,669.58</b>	<b>1,157.30</b>	<b>5,826.88</b>	<b>5,333.22</b>	<b>882.25</b>	<b>6,215.47</b>

**Note No. 4(b) Long-term borrowings: Loans directors Unsecured**
**₹ in lakhs**

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
From directors, shareholders and relatives	379.24		379.24	421.65		421.65
<b>Total</b>	<b>379.24</b>		<b>379.24</b>	<b>421.65</b>		<b>421.65</b>

**Note No. 5 Deferred Tax**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Deferred tax liability</b>		
Deferred tax liability other	92.27	29.33
<b>Gross deferred tax liability</b>	<b>92.27</b>	<b>29.33</b>
<b>Net deferred tax liability</b>	<b>92.27</b>	<b>29.33</b>

**Note No. 7 Provisions**
**₹ in lakhs**

Particulars	As at 31st March 2023			As at 31st March 2022		
	Long-term	Short-term	Total	Long-term	Short-term	Total
<b>Provision for employee benefit</b>						
Provision other employee related liabilities	98.93		98.93	68.31		68.31
	<b>98.93</b>		<b>98.93</b>	<b>68.31</b>		<b>68.31</b>
<b>Other provisions</b>						
Provision for income tax		144.72	144.72		196.54	196.54
Provision for audit fees		3.00	3.00		0.50	0.50
		<b>147.72</b>	<b>147.72</b>		<b>197.04</b>	<b>197.04</b>
<b>Total</b>	<b>98.93</b>	<b>147.72</b>	<b>246.65</b>	<b>68.31</b>	<b>197.04</b>	<b>265.36</b>

**Note No. 8 Short-term borrowings**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Loans Repayable on Demands - From banks</b>		
Working capital loans banks secured	4,617.40	623.45
	<b>4,617.40</b>	<b>623.45</b>
<b>Current maturities of long-term debt</b>		
	1,157.30	889.70
	<b>1,157.30</b>	<b>889.70</b>
<b>Total</b>	<b>5,774.70</b>	<b>1,513.14</b>

**Note No. 9 Trade payables**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(B) Others</b>		
Sundry creditors	4,483.49	254.91
	<b>4,483.49</b>	<b>254.91</b>
<b>Total</b>	<b>4,483.49</b>	<b>254.91</b>

**Trade Payables Ageing Schedule**
**₹ in lakhs**

Particular	Current Year					Previous Year				
	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
MSME					0.00	0.00	0.00	0.00	0.00	0.00
Others	4480.66	2.22	0.16	0.45	4483.49	254.91				254.91
Disputed Dues-MSME					0.00					0.00
Disputed- Others					0.00					0.00



## Note No. 10 Other current liabilities

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Others payables</b>		
Interest accrued but due on term loan	13.45	4.76
Salary and wages payable	102.63	54.30
TDS payable	31.00	27.34
Power bill payable	48.78	40.63
GST Payable	8.98	3.69
Bonus payable	23.96	12.12
Expenses payable	10.07	2.77
BOB Credit Card	13.31	
GST Payable	0.32	17.51
	<b>252.51</b>	<b>163.12</b>
<b>Total</b>	<b>252.51</b>	<b>163.12</b>

Note No. 12 Property, Plant and Equipment and Intangible assets as at 31st March 2023

₹ in lakhs

	Assets	Useful Life (In Years)	Gross Block				Accumulated Depreciation/ Amortisation				Net Block	
			Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2022
<b>A</b>	<b>Tangible assets</b>											
	<b>Own Assets</b>											
	Land		775.19	5.48			780.67				780.67	775.19
	Factory Building		669.41	1,010.93			1,680.34	155.50	48.98		204.49	1,475.85
	Office Equipment		26.21	14.44			40.65	14.85	7.82		22.67	17.98
	Vehicles		303.71	11.36		21.00	294.06	186.91	31.90	19.95	198.86	95.20
	Plant and Machinery		5,219.51	3,704.53			8,924.04	3,313.05	612.49		3,925.54	4,998.50
	Electric Installation		555.93	404.49			960.42	212.74	81.96		294.70	665.72
	Furniture		5.73	5.02			10.75	2.03	0.77		2.80	7.95
	Computer		16.36	9.95			26.32	11.18	4.11		15.28	11.03
	<b>Total (A)</b>		<b>7,572.05</b>	<b>5,166.19</b>		<b>21.00</b>	<b>12,717.24</b>	<b>3,896.26</b>	<b>788.03</b>	<b>19.95</b>	<b>4,664.34</b>	<b>8,052.91</b>
	<b>P.Y Total</b>		<b>7,000.17</b>	<b>571.88</b>			<b>7,572.05</b>	<b>3,424.63</b>	<b>471.63</b>		<b>3,896.26</b>	<b>3,675.79</b>
<b>B</b>	<b>Capital work in progress</b>											
	Building		865.04	455.51		1,010.93	309.62					309.62
	Plant and Machinery		3,106.65			3,106.65						3,106.65
	Electric Installation		119.16			119.16						119.16
	<b>Total (B)</b>		<b>4,090.85</b>	<b>455.51</b>		<b>4,236.74</b>	<b>309.62</b>					<b>309.62</b>
	<b>P.Y Total</b>			<b>4,090.85</b>			<b>4,090.85</b>					<b>4,090.85</b>
<b>C</b>	<b>Intangible assets under Development</b>											
	Intangible Asset Under Development	10.00		37.98		37.98						37.98
	<b>Total (C)</b>			<b>37.98</b>		<b>37.98</b>						<b>37.98</b>
	<b>Current Year Total (A + B + C)</b>		<b>11,662.90</b>	<b>5,659.68</b>		<b>4,257.74</b>	<b>13,064.85</b>	<b>3,896.26</b>	<b>788.03</b>	<b>19.95</b>	<b>4,664.34</b>	<b>8,400.51</b>
	<b>Previous Year Total</b>		<b>7,000.17</b>	<b>4,662.73</b>			<b>11,662.90</b>	<b>3,424.63</b>	<b>471.63</b>		<b>3,896.26</b>	<b>7,766.64</b>

General Notes :

- No depreciation if remaining useful life is negative or zero.
- Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current F.Y.
- If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

CWIP aging schedule

Assets Name	Group	CWIP	Current Year					Previous Year				
			Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
Building	Buildings	Projects in progress	309.62				309.62	865.04				865.04
Plant and Machinery	Plant and Machinery	Projects in progress						3106.65				3106.65
Electric Installation	Electrical Installations and Equipment	Projects in progress						119.16				119.16
		<b>Total</b>	<b>309.63</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>309.62</b>	<b>4090.85</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4090.85</b>

Non-current investments		₹ in lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
<b>Non-Trade Investment (Valued at cost unless stated otherwise)</b>			
<b>Other non-current investments (Unquoted)</b>			
<b>In Others</b>			
Other investments long-term unquoted non-trade (Lower of cost and Market value)	261.75	261.75	
<b>Gross Investment</b>	<b>261.75</b>	<b>261.75</b>	
<b>Net Investment</b>	<b>261.75</b>	<b>261.75</b>	
<b>Aggregate amount of unquoted investments</b>	<b>261.75</b>	<b>261.75</b>	

Note No. 14 Loans and advances		₹ in lakhs			
Particulars	As at 31st March 2023		As at 31st March 2022		
	Long-term	Short-term	Long-term	Short-term	
<b>Other loans and advances</b>					
TDS receivable		48.80		24.67	
Tuff receivable		125.61		125.61	
Prepaid expenses (Unsecured)		23.66		2.96	
Fixed deposit with bank	52.02		50.03		
Other loans advances (Unsecured)		47.19		89.00	
Rips subsidy receivable		21.14		35.04	
Duties and taxes for GST		307.62		561.25	
TCS		0.15		6.87	
Interest accrued on AVVNL Deposit		4.21		4.47	
Loan to employees		19.77		18.63	
License Receivable		0.12			
ICICI Bank Credit Card		0.84			
Capital Subsidy Receivable		310.45			
IGST Refund Receivable		11.82			
	<b>52.02</b>	<b>921.38</b>	<b>50.03</b>	<b>868.50</b>	
<b>Total</b>	<b>52.02</b>	<b>921.38</b>	<b>50.03</b>	<b>868.50</b>	

Note No. 15 Other non-current assets		₹ in lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
<b>Security Deposit</b>	<b>103.63</b>	<b>82.98</b>	
<b>Other Assets</b>			
<b>Miscellaneous expenditure not written off</b>			
Preoperative expenses	16.53	244.54	
Advance for capital goods	728.53	215.19	
<b>Total</b>	<b>728.53</b>	<b>215.19</b>	
<b>Total</b>	<b>848.69</b>	<b>542.71</b>	

Note No. 16 Inventories		₹ in lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
<b>(Valued at cost or NRV unless otherwise stated)</b>			
Raw Material	1,925.27	272.30	
WIP	2,119.77	1,256.95	
Finished Goods	2,533.81	1,388.89	
Stores and spares	10.50	9.12	
Raw material_mp	220.58	99.66	
<b>Total</b>	<b>6,809.92</b>	<b>3,026.93</b>	

Note No. 17 Trade receivables		₹ in lakhs	
Particulars	As at 31st March 2023	As at 31st March 2022	
Secured, Considered good			
Unsecured, Considered Good	5,665.05	1,409.09	
Doubtful			
Allowance for doubtful receivables			
<b>Total</b>	<b>5,665.05</b>	<b>1,409.09</b>	

**(Current Year)**

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment#					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)	5,595.38	39.02	24.06	1.59	5.00	5,665.05
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

**(Previous Year)**

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment#					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)	1,218.54	109.50	75.78		5.27	1,409.09
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

**Note No. 18 Cash and cash equivalents**

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balance with banks</b>		
Other deposits with banks	0.21	208.32
<b>Total</b>	<b>0.21</b>	<b>208.32</b>
<b>Cash in hand</b>		
Cash in hand	42.56	2.07
<b>Total</b>	<b>42.56</b>	<b>2.07</b>
<b>Total</b>	<b>42.77</b>	<b>210.39</b>

**Note No. 20 Revenue from operations**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Sale of products</b>		
Finish fabrics	17,721.23	936.83
Grey sales	43.07	10,428.73
Yarn sale	2,235.05	14.52
	<b>19,999.35</b>	<b>11,380.08</b>
<b>Sale of services</b>	1,929.94	1,503.07
<b>Net revenue from operations</b>	<b>21,929.29</b>	<b>12,883.15</b>

Note No. 21 Other income

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Interest Income</b>		
Other interest income	5.93	5.81
	<b>5.93</b>	<b>5.81</b>
<b>Net gain/loss on sale of investments</b>		
Profit on sale of fixed assets	8.23	
	<b>8.23</b>	
<b>Other non-operating income</b>		
Scrap sale	49.31	33.33
Revenue recognition of capital subsidy		8.10
	<b>49.31</b>	<b>41.43</b>
<b>Total</b>	<b>63.47</b>	<b>47.24</b>

Note No. 22 Cost of material Consumed

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Inventory at the beginning</b>		
Raw Material	371.96	206.05
	<b>371.96</b>	<b>206.05</b>
<b>Add:Purchase</b>		
Raw Material	15,407.71	8,848.20
	<b>15,407.71</b>	<b>8,848.20</b>
<b>Less:-Inventory at the end</b>		
Raw Material	2,145.85	371.96
	<b>2,145.85</b>	<b>371.96</b>
<b>Total</b>	<b>13,633.82</b>	<b>8,682.29</b>

Details of material consumed

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	12,537.87	8,682.29
Consumption of dyes and chemical	1,095.95	
	<b>13,633.82</b>	<b>8,682.29</b>
<b>Total</b>	<b>13,633.82</b>	<b>8,682.29</b>

Details of inventory

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	1,925.27	272.30
Consumption of dyes and chemical	220.58	99.66
	<b>2,145.85</b>	<b>371.96</b>
<b>Total</b>	<b>2,145.85</b>	<b>371.96</b>

Details of purchase

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	14,190.84	8,748.54
Consumption of dyes and chemical	1,216.87	99.66
	<b>15,407.71</b>	<b>8,848.20</b>
<b>Total</b>	<b>15,407.71</b>	<b>8,848.20</b>

Note No. 22 Value of import and indigenous material consumed

₹ in lakhs

Particulars	Unit of Measurement	31st March 2023		31st March 2022	
		Value	Quantity	Value	Quantity
<b>Raw Material</b>					
Consumption of dyes and chemical	Kg	1,095.95			
Consumption of raw material	Kg	12,537.87		8,682.29	
		13,633.82		8,682.29	

₹ in lakhs

Particulars	31st March 2023		31st March 2022	
	Value	%to total Consumption	value	%to total Consumption
<b>Raw Material</b>				
Imported	1,095.95	8.04		
Indigenous	12,537.87	91.96	8,682.29	100.00
	13,633.82	100.00	8,682.29	100.00

**Note No. 23 Purchase of stock-in-trade**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Finish fabrics	3,871.66	859.56
<b>Total</b>	<b>3,871.66</b>	<b>859.56</b>

**Note No. 24 Changes in inventories**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Inventory at the end of the year</b>		
Finished Goods	2,533.81	1,388.89
Work-in-Progress	2,119.77	1,256.95
	<b>4,653.57</b>	<b>2,645.85</b>
<b>Inventory at the beginning of the year</b>		
Finished Goods	1,388.89	1,437.84
Work-in-Progress	1,256.95	1,413.19
	<b>2,645.85</b>	<b>2,851.02</b>
<b>(Increase)/decrease in inventories</b>		
Finished Goods	(1,144.92)	48.94
Work-in-Progress	(862.81)	156.23
	<b>(2,007.73)</b>	<b>205.18</b>

**Note No. 25 Employee benefit expenses**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Salaries and Wages</b>		
Salaries paid	145.70	126.31
Wages paid	712.07	356.44
Other Employee Related Expenses	1.50	1.64
	<b>859.27</b>	<b>484.39</b>
<b>Contribution to provident and other fund</b>		
P.F and E.S.I contribution	43.98	23.37
Gratuity	30.62	68.31
	<b>74.60</b>	<b>91.68</b>
<b>Staff welfare Expenses</b>		
Staff Welfare Expenses	10.89	2.62
Bonus	34.69	12.12
	<b>45.58</b>	<b>14.74</b>
<b>Total</b>	<b>979.45</b>	<b>590.81</b>

**Note No. 26 Finance costs**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Interest</b>		
Interest on term loan	474.97	175.73
Interest paid to bank on cc limit	302.45	89.21
Interest on car loan	2.42	3.60
Interest on u\loan and others	8.42	13.38
Other interest charges	24.11	8.35
Interest on truck loan		2.36
Interest on Bill Discounting	24.50	
Interest on Yarn Purchase	10.78	
	<b>847.65</b>	<b>292.63</b>

<b>Other Borrowing costs</b>		
Bank charges	3.53	0.29
Processing and stamping	10.73	9.36
<b>Total</b>	<b>14.26</b>	<b>9.65</b>
<b>Total</b>	<b>861.91</b>	<b>302.28</b>

<b>Depreciation and amortization expenses</b>		<b>₹ in lakhs</b>
<b>Particulars</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Depreciation on tangible assets	788.03	471.63
<b>Total</b>	<b>788.03</b>	<b>471.63</b>

<b>Note No. 27 Other expenses</b>		<b>₹ in lakhs</b>
<b>Particulars</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Audit fees	3.00	0.50
Administrative expenses	387.17	131.06
Selling and distribution expenses	186.10	16.61
Manufacturing service costs	2,527.95	1,060.91
<b>Total</b>	<b>3,104.22</b>	<b>1,209.08</b>

<b>Note No. 27(a) Other expenses: Audit fees</b>		<b>₹ in lakhs</b>
<b>Particulars</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
STATUTORY AUDIT FEES	2.00	0.50
INTERNAL AUDIT FEES	0.25	
TAX AUDIT FEES	0.75	
<b>Total</b>	<b>3.00</b>	<b>0.50</b>

<b>Note No. 27(b) Other expenses: Administrative expenses</b>		<b>₹ in lakhs</b>
<b>Particulars</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Government license fees	2.96	0.45
Legal and professional expenses	32.16	11.66
Insurance expenses	36.84	25.10
KEYMAN Insurance	17.51	
Rates and taxes	0.17	1.17
Telephone and postage expenses	2.60	0.22
Printing and stationery	10.30	2.66
Vehicle running expenses	19.77	2.63
Computer and printer expenses	2.07	2.82
Membership fees	0.24	0.26
Office rent	5.82	5.85
Donations	31.37	0.04
Water expenses	1.82	2.17
Festival celebration expenses	3.94	1.87
Other MISC expenses	9.40	1.95
Director remuneration	180.00	72.00
GST and other late fees	0.03	0.07
Stock audit expenses	0.69	0.15
Postage expenses	0.29	
Software Expenses	7.50	
Director Sitting Fees	2.40	
GST Demand	9.65	
CSR Expenses	9.65	
<b>Total</b>	<b>387.17</b>	<b>131.06</b>

<b>Note No. 27(c) Other expenses: Selling and distribution expenses</b>		<b>₹ in lakhs</b>
<b>Particulars</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Job and agency commission	102.04	14.31
Grading and packing expenses	43.04	0.85
Tour and travelling expenses	26.23	0.68
Advertising expenses	8.03	0.78

Hotel Expense	1.89	
Freight Expenses	4.14	
Rate Difference	0.75	
<b>Total</b>	<b>186.10</b>	<b>16.61</b>

**Note No. 27(d) Other expenses: Manufacturing service costs**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Stores and spares	124.36	71.29
Electric expenses	4.33	4.99
Power and fuel	952.81	788.84
Oil and lubricant	16.87	15.68
Repairs and maintenance of other assets	10.41	8.61
Transport expenses	65.14	170.88
Factory expenses		0.04
Job charges	989.84	
Other manufacturing service cost	5.62	0.58
Fire & Fitting	3.83	
Agro Waste Expenses	32.37	
Water Expenses	322.37	
<b>Total</b>	<b>2,527.95</b>	<b>1,060.91</b>

**Current tax**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Current tax pertaining to current year	144.72	196.54
<b>Total</b>	<b>144.72</b>	<b>196.54</b>

**Deferred tax**

in lakhs

Particulars	31st March 2023	31st March 2022
Deffered tax	62.94	(44.27)
<b>Total</b>	<b>62.94</b>	<b>(44.27)</b>

**Note No. 30 Earning Per Share**

₹ in lakhs

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Basic</b>				
Profit after tax (A)	553.71	457.31	553.71	457.31
Weighted average number of shares outstanding (B)	72,00,130	72,00,130	72,00,130	72,00,130
Basic EPS (A / B)	7.69	6.35	7.69	6.35
<b>Diluted</b>				
Profit after tax (A)	553.71	457.31	553.71	457.31
Weighted average number of shares outstanding (B)	72,00,130	72,00,130	72,00,130	72,00,130
Diluted EPS (A / B)	7.69	6.35	7.69	6.35
Face value per share	10.00	10.00	10.00	10.00

**Notes Forming part of Accounts**

31. Sales are recorded exclusive of Goods & Service tax if any but after deducting discount, rebate, rate difference and sales return.
32. Purchase includes purchase of raw material after deducting purchase return, discount, rebate, and incentives.
33. In the opinion of the Board the Current Assets, Loans & Advances are approximately of the value stated and realizable in the ordinary course of business. The Provision for all known liabilities is adequate.
34. Sundry Debtors, Sundry Creditors & Loans & Advances balances are subject to confirmation.
35. Auditor's Remuneration (Exclusive of GST)

Particulars	2022-2023	2021-2022
Audit Fees	2.75	0.50
GST	0.50	0.09
<b>Total</b>	<b>3.25</b>	<b>0.59</b>

36. Company has opted to Pay Tax under Section 115BAA in previous year so MAT provisions are not be applicable on the company.
37. Directors have given personal guarantee to bankers and financial institution for loans and advances given to the company and the company is liable for reimbursement to the directors.

38. Details of Managerial Remuneration:-

Particulars	2022-2023 (in Lacs)	2021-2022 (in Lacs)
Director Remuneration	180.00	72.00

39. Amount related to previous year arises / settled during the year have been debited / credited to respective heads as per consistent policy adopted by the company every year.

40. On this basis on information furnished to us the Company does not have any amount due (inclusive of interest) to a Small Scale Industrial Undertaking.

41. Related Party Transactions (AS-18)

As per provisions of Accounting Standard 18 issued by the Chartered Accountants' of India, the details of related party transactions are as under:

1.Key Management Personnel/ Directors	MOHAMMED SABIR KHAN SAMAR KHAN NASIR KHAN RAHUL KUMAR VERMA PRAKASH CHANDRA JAIN
2. Relatives of KMP	MOHAMMAD SUHAIL ALIM KHAN PARIHAR ZAHIDA PARIHAR SHABANA AKHLAQUE MADNI ALIYA KHAN MOHAMMED YAKUB SEEMA JAIN SHABNAM KHAN
3. Associate/ Sister Concern	DIVINE SUITING PRIVATE LIMITED SAKINA TEXTILE PRIVATE LIMITED MODWAY SUITING PRIVATE LIMITED GOMOTO TEXTILES PRIVATE LIMITED SWARAJ SULZ PRIVATE LIMITED AHINSA BUSINESS VENTURE PRIVATE LIMITED SATYAMAN TEXPARK PRIVATE LIMITED JAMUNA SYNTHETICS PRIVATE LIMITED SHIVGANGA SUITING PRIVATE LIMITED SWADESH SUITING PRIVATE LIMITED

Transaction done with related parties for the year ending 31.03.2023

(Amount in Lacs)

Nature of transactions	Key Management Personnel			Relatives of Key Management Personnel			Associate Concern/ Sister Concern		
	2023	2022	O/S Balance as on 31.03.23	2023	2022	O/S Balance as on 31.03.23	2023	2022	O/S Balance as on 31.03.23
Salary	192.05	80.74	7.47	27.58	27.88	4.44	0.00	0.00	0.00
Interest on loans	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.38	0.00

Loan Taken	188.58	575.86	379.24	0.00	0.00	0.00	450.00	0.00	453.40
Loan Repaid	231.00	154.21	379.24	0.00	0.00	0.00	8.30	2.10	453.40
Purchase	0.00	0.00	0.00	38.35	0.00	(2.00)	504.73	65.77	(99.87)
Sales	0.00	0.00	0.00	0.00	0.00	0.00	1278.16	249.82	605.62
Job charges Received	0.00	0.00	0.00	0.00	0.00	0.00	14.31	64.22	0.00
Job Payable	0.00	0.00	0.00	0.00	0.00	0.00	731.90	0.00	133.62

- 42. Details of Benami Property held:** -No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- 43. Where the Company has borrowings from banks or financial institutions on the basis of security of current Assets:** - The company has borrowing from bank or financial institution on the basis of security of current assets and it is submitted that:-
- Quarterly returns are submitted on timely basis.
  - Data provided in stock statement are as per best available quantities subject to physical verification. There is no material difference between stock statement submitted to bank and books of accounts, although minor difference can arise due to method of valuation, Physical verification, return of goods, shortage, wastage, ABC analysis of stock, Debit and credit notes and reconciliation of debtors and creditors.
- 44. Wilful Defaulter:** - Company is not declared wilful defaulter by any bank or financial Institution or other lender during the year under consideration.
- 45. Relationship with Struck off Companies:** - Company has not having any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 46. Registration of charges or satisfaction with Registrar of Companies:** - No charge creation or satisfaction yet to be registered with Registrar of Companies beyond the statutory period for the current year.
- 47. Compliance with number of layers of companies:-** Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017
- 48. Compliance with approved Scheme(s) of Arrangements:** - No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- 49. Utilisation of Borrowed funds and share premium:** The Company has used the borrowed funds and share premium rose for the specific purpose only.
- 50. Undisclosed income:-** There are no transaction which are 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)
- 51. Corporate Social Responsibility (CSR):-** Company has complied with the provisions of section 135 of the company's act 2013
- 52. Details of Crypto Currency or Virtual Currency:-** Company has not traded or invested in Crypto currency or Virtual Currency during the financial year,

**53. Ratios:-**

Particulars	items included in numerator	items included in denominator	Ratio (22-23)	Ratio (21-22)	% Change
<b>(a) Current Ratio (Times)</b>	Current Assets	Current Liabilities	1.26	2.59	-51.35
<b>(b) Debt-Equity Ratio (Times)</b>	Long Term Debt + Short Term Debt	Shareholder equity	1.72	1.22	40.98
<b>(c) Debt Service Coverage Ratio (Times)</b>	Earnings Before Interest, Depreciation, Amortization But after income Tax	Total principal Payment + Interest on Borrowings	1.51	1.08	40.

<b>(d) Return on Equity Ratio ( In %)</b>	Earning After Interest, tax, Depreciation & Amortization	Average Shareholders' Equity	8.77	9.32	6.27
<b>(e) Inventory turnover ratio (Times)</b>	Turnover	Average Inventory	4.46	4.23	5.44
<b>(f) Trade Receivables turnover ratio (Times)</b>	Net Credit Sales	Average Trade Receivable	6.20	9.46	-34.46
<b>(g) Trade payables turnover ratio (Times)</b>	Net Credit Purchase	Average Trade Payable	8.14	16.52	-50.73
<b>(h) Net capital turnover ratio</b>	Total Sales	Average Working Capital	7.89	3.80	107.63
<b>(i) Net profit ratio ( in % )</b>	Net Profit	Net Sales	2.52	3.55	-29.01
<b>(j) Return on Capital employed (in %)</b>	Earnings Before Interest & tax	Total Assets-Current Liabilities	8.96	6.74	32.94

**Explanation for the ratios having movement more than 25% is as follows:-**

- A) Current Ratio:** - As this is the first year of operation of the company after expansion so there is dip in current ratio. Further due to current maturities of COVID loans there is decrease in current ratio.
- B) Debt-Equity Ratio:** Company has brought expansion project which has increased the borrowings due to which debt equity ratio has been increased.
- C) DSCR:-** As company's earning has increased the debt paying capabilities of the company has improved which resulted in improvement in DSCR ratio.
- D) Trade Receivables turnover ratio:-** Turnover of the company has increased tremendously during the year and proportionately debtor's level also increased in that line. As there ratio is based on Average receivable, difference in debtors level resulted in decrease in ratio.
- E) Trade payables turnover ratio:** - Purchases of the company has increased tremendously during the year and proportionately creditor's level also increased in that line. As there ratio is based on Average Payables, difference in creditors level resulted in decrease in ratio.
- F) Net Capital Turnover Ratio:-** During the year company has achieved higher turnover with less use of working capital. Company has properly utilised its working capital and with less investment in working capital achieved higher turnover.
- G) Net Profit Ratio:-** As company has brought major expansion during the year which resulted in higher depreciation during the year. Due to increase in depreciation net profit of the company has decreased during the year.
- H) Return on Capital Employed:** - As company has achieved higher EBIT during the year return of capital employed has improved significantly during the year.

## Independent Auditor's Report

To  
The Members  
**M/S SWARAJ SUITING LIMITED**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of SWARAJ SUITING LIMITED (hereinafter referred to as "the Parent Company") and its associate M/S Modway Suiting Private Limited (formerly known as M/s Cyan Textile Private Limited), Parent company and its associate together referred as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2023, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

#### Basis for opinion

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

#### Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis; Board's Report including Annexure to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Parent Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting

records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

### **Auditor's Responsibility**

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

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

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

disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2023 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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

- The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the
- The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary companies.
- The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries



- The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material miss-statement.
- No dividend have been declared or paid during the year by the company.

**FOR: S.K. TOSHNIWAL & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 008852C**

**PLACE: BHILWARA**  
**DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]**  
**PARTNER**  
**M. NO.: - 078136**  
**FRN: 008852C**  
**UDIN:- 23078136BGXYTE3405**

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of SWARAJ SUITING LIMITED (hereinafter referred to as "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

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

The Board of Directors of the Company and its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

#### Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

#### Meaning of Internal Financial Controls over Financial Reporting

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

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR: S.K. TOSHNIWAL & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 008852C**

**PLACE: BHILWARA  
DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]  
PARTNER  
M. NO.: - 078136  
FRN: 008852C  
UDIN:- 23078136BGXYTE3405**

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

As required by paragraph 3(xxi) of the CARO 2020, we report that there are no adverse qualification has been made by any of the auditors of the associate companies in there CARO report on the standalone financial statements of therespective companies included in the Consolidated Financial Statements of the parent Company

### Notes to Accounts of Consolidated Financial Statements

#### **1. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENT:**

These condensed consolidated interim financial statements have been prepared to comply with the generally accepted accounting principles, including the accounting standards notify under the relevant provision of companies act 2013.

#### **2. PRINCIPLES OF CONSOLIDATION:**

The condensed consolidated interim financial statements relate to **SWARAJ SUITING LIMITED** and its associate has been prepared on following basis:

- a) Investment in associate companies has been accounted under the equity method as per accounting standard – 23, “Accounting for Investment in Associates in consolidated financial statements”.
- b) The company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealized profit or losses resulting from transaction between the company and its associate to the extent of its share, through its consolidate profit and loss statement, to the extent such change is attributable to the associates profit and loss statement and through its reserves for the balance based on available information.
- c) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserves as the case may be.
- d) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company’s separate financial statements.

#### **3. OTHER SIGNIFICANT ACCOUNTING POLICIES**

These are set out under “Significant Accounting Policies” as given in the company’s separate condensed interim financial statements.

**FOR: S.K. TOSHNIWAL & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 008852C**

**PLACE: BHILWARA  
DATE:- 30.05.2023**

**[SUNIL KUMAR TOSHNIWAL]  
PARTNER  
M. NO.: - 078136  
FRN: 008852C  
UDIN:- 23078136BGXYTE3405**

Consolidated Balance Sheet as at 31st March 2023

₹ in lakhs

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	2	720.01	720.01
Reserves and surplus	3	5927.49	5356.14
Money received against share warrants			
		<b>6647.50</b>	<b>6076.15</b>
<b>Share application money pending allotment</b>			
<b>Non-current liabilities</b>			
Long-term borrowings	4	5,564.97	5,876.42
Deferred tax liabilities (Net)	5	92.27	29.33
Other long term liabilities			
Long-term provisions	6	98.93	68.31
		<b>5,756.16</b>	<b>5,974.06</b>
<b>Current liabilities</b>			
Short-term borrowings	7	5,774.70	1,513.14
Trade payables	8		
(A) Micro enterprises and small enterprises			
(B) Others		4,483.49	254.91
Other current liabilities	9	252.51	163.12
Short-term provisions	6	147.72	197.04
		<b>10,658.42</b>	<b>2,128.21</b>
<b>TOTAL</b>		<b>23062.08</b>	<b>14178.42</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment and Intangible assets	10		
Property, Plant and Equipment		8,052.91	3,675.79
Intangible assets			
Capital work-in-Progress		309.62	4,090.85
Intangible assets under development		37.98	
Non-current investments	11	321.76	304.13
Deferred tax assets (net)	5		
Long-term loans and advances	12	52.02	50.03
Other non-current assets	13	848.69	542.71
		<b>9622.97</b>	<b>8663.51</b>
<b>Current assets</b>			
Current investments			
Inventories	14	6,809.92	3,026.93
Trade receivables	15	5,665.05	1,409.09
Cash and cash equivalents	16	42.76	210.39
Short-term loans and advances	12	921.38	868.51
Other current assets			
		<b>13,439.11</b>	<b>5,514.92</b>
<b>TOTAL</b>		<b>23062.08</b>	<b>14178.42</b>

The accompanying notes forming part of financial statements

For & on behalf of board of directors

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

Consolidated Statement of Profit and loss for the year ended 31st March 2023

Particulars	Note No.	₹ in lakhs	
		31st March 2023	31st March 2022
<b>Revenue</b>			
Revenue from operations	17	21,929.29	12,883.15
Less: Excise duty			
<b>Net Sales</b>		<b>21,929.29</b>	<b>12,883.15</b>
Other income	18	63.47	47.24
<b>Total Income</b>		<b>21,992.76</b>	<b>12,930.39</b>
<b>Expenses</b>			
Cost of material Consumed	19	13,633.83	8,682.28
Purchase of stock-in-trade	20	3,871.66	859.56
Changes in inventories	21	(2,007.73)	205.18
Employee benefit expenses	22	979.45	590.82
Finance costs	23	861.92	302.27
Depreciation and amortization expenses	24	788.03	471.63
Other expenses	25	3,104.22	1,209.08
<b>Total expenses</b>		<b>21,231.39</b>	<b>12,320.81</b>
<b>Profit before exceptional, extraordinary and prior period items and tax</b>		<b>761.37</b>	<b>609.58</b>
Exceptional items			
<b>Profit before extraordinary and prior period items and tax</b>		<b>761.37</b>	<b>609.58</b>
Extraordinary items			
Prior period item			
<b>Profit before tax</b>		<b>761.37</b>	<b>609.58</b>
<b>Tax expenses</b>			
Current tax	26	144.72	196.54
Deferred tax	27	62.94	(44.27)
Excess/short provision relating earlier year tax			
<b>Profit(Loss) for the period</b>		<b>553.71</b>	<b>457.31</b>
<b>Earning per share-in ₹</b>			
<b>Basic</b>	<b>28</b>		
Before extraordinary Items		7.69	6.35
After extraordinary Adjustment		7.69	6.35
<b>Diluted</b>			
Before extraordinary Items			
After extraordinary Adjustment			

The accompanying notes forming part of financial statements

For & on behalf of board of directors

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2023

		₹ in lakhs	
PARTICULARS		31st March 2023	31st March 2022
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	761.37	609.58
	<b>Adjustments for non Cash/ Non trade items:</b>		
	Depreciation & Amortization Expenses	788.03	471.63
	Finance Cost	861.92	302.27
	Interest received	(5.93)	(5.81)
	Other Inflows / (Outflows) of cash	30.62	1,363.52
	<b>Operating profits before Working Capital Changes</b>	<b>2,436.00</b>	<b>2,741.18</b>
	<b>Adjusted For:</b>		
	(Increase) / Decrease in trade receivables	(4,255.95)	(94.39)
	Increase / (Decrease) in trade payables	4,228.58	(665.80)
	(Increase) / Decrease in inventories	(3,782.99)	39.14
	Increase / (Decrease) in other current liabilities	(104.65)	(8.87)
	(Increase) / Decrease in Short Term Loans & Advances	(52.87)	(508.78)
	<b>Cash generated from Operations</b>	<b>(1,531.89)</b>	<b>1,502.48</b>
	Income Tax (Paid) / Refund		
	<b>Net Cash flow from Operating Activities(A)</b>	<b>(1,531.89)</b>	<b>1,502.48</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of tangible assets	(5,621.70)	(4,662.73)
	Proceeds from sales of tangible assets	4,237.79	
	Interest Received	5.93	5.81
	Purchase of intangible assets	(37.98)	
	Cash advances and loans made to other parties	(1.98)	(14.07)
	Other Inflow / (Outflows) of cash	(305.98)	(21.83)
	<b>Net Cash used in Investing Activities(B)</b>	<b>(1,723.92)</b>	<b>(4,692.83)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Finance Cost	(861.92)	(302.27)
	Increase in / (Repayment) of Short term Borrowings	4,261.56	(272.16)
	Increase in / (Repayment) of Long term borrowings	(311.45)	3,473.29
	Increase / (Decrease) in share capital		496.99
	<b>Net Cash used in Financing Activities(C)</b>	<b>3,088.18</b>	<b>3,395.85</b>
<b>D.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash</b>		
	<b>Equivalents(A+B+C)</b>	<b>(167.63)</b>	<b>205.50</b>
<b>E.</b>	Cash & Cash Equivalents at Beginning of period	210.39	4.89
<b>F.</b>	Cash & Cash Equivalents at End of period	42.76	210.39
<b>G.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(F-E)</b>	<b>(167.63)</b>	<b>205.50</b>
<b>H.</b>	<b>Difference (F-(D+E))</b>		

The accompanying notes forming part of financial statements

For & on behalf of board of directors

As per our report of even date

For: S.K. Toshniwal & Company  
Chartered Accountants

Sunil Kumar Toshniwal  
Partner  
M. NO.: 078136

Mohammed Sabir Khan  
(Managing Director)  
(DIN: 00561917)

Nasir Khan  
(Whole Time Director)  
(DIN: 07775998)

UDIN: 23078136BGXYTE3405  
Date: 30.05.2023  
Place: Bhilwara

Prakash C Jain  
(Chief Financial Officer)  
PAN: ACZPJ6386K

Rahul K. Verma  
(Company Secretary)  
PAN: AQCPV6650M

**Note:**

1. The Cash Flow Statement has been prepared by Indirect Method as per AS-3 issued by ICAI.
2. Figures of previous year have been rearranged/regrouped wherever necessary
3. Figures in brackets are outflow/deductions

**Notes to Consolidated Financial statements for the year ended 31st March 2023**

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation.

**Note No. 2 Share Capital**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised :</b>				
11500000 (31/03/2022:11500000) Equity shares of Rs. 10.00/- par value		1,150.00		1,150.00
<b>Issued :</b>				
7200130 (31/03/2022:7200130) Equity shares of Rs. 10.00/- par value		720.01		720.01
<b>Subscribed and paid-up :</b>				
7200130 (31/03/2022:7200130) Equity shares of Rs. 10.00/- par value		720.01		720.01
<b>Total</b>		<b>720.01</b>		<b>720.01</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

₹ in lakhs

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	72,00,130	720.01	22,30,265	223.03
Issued during the Period				
Bonus issue			26,46,065	264.61
IPO			19,08,000	190.80
Right Issue			4,15,800	41.58
Redeemed or bought back during the period				
<b>Outstanding at end of the period</b>	<b>72,00,130</b>	<b>720.01</b>	<b>72,00,130</b>	<b>720.01</b>

**Right, Preferences and Restriction attached to shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Details of shareholders holding more than 5% shares in the company**

Type of Share	Name of Shareholders	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00 ]	Sakina Textile private limited	7,55,460	10.49	7,55,460	10.49
Equity [NV: 10.00 ]	Mohammed Sabir Khan	13,12,920	18.23	13,12,920	18.23
Equity [NV: 10.00 ]	Divine Suiting Private Limited	12,41,200	17.24	12,41,200	17.24
Equity [NV: 10.00 ]	Gomoto Textile Private Limited	9,03,700	12.55	9,03,700	12.55
Equity [NV: 10.00 ]	Jamuna Synthetics Private Limited	8,59,350	11.94	8,59,350	11.94
	<b>Total :</b>	<b>50,72,630</b>	<b>70.45</b>	<b>50,72,630</b>	<b>70.45</b>

**Details of shares held by Promoters**

		Current Year					Previous Year				
		Shares at beginning		Shares at end		% Change	Shares at beginning		Shares at end		% Change
Promoter name	Particulars	Number	%	Number	%		Number	%	Number	%	
MOHAMMED SABIR KHAN	Equity [NV: 10.00 ]	1312920.00	18.23	1312920	18.23	0.00	656460.00	29.43	1312920.00	18.23	-11.20
SAMAR KHAN	Equity [NV: 10.00 ]	184200.00	2.56	184200	2.56	0.00	92100.00	4.13	184200.00	2.56	-1.57
SAKINA TEXTILE PRIVATE LIMITED	Equity [NV: 10.00 ]	755460	10.49	755460	10.49	0.00	377730	16.94	755460	10.49	-6.45
DIVINE SUITING PRIVATE LIMITED	Equity [NV: 10.00 ]	1241200	17.24	1241200	17.24	0.00	620600	27.83	1241200	17.24	-10.59
ZAHIDA PARIHAR	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
SHABNAM KHAN	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
SHABANA AKHLAQUE MADNI	Equity [NV: 10.00 ]	7100	0.10	7100	0.10	0.00	3550	0.16	7100	0.10	-0.06
GOMOTO TEXTILES PRIVATE LIMITED	Equity [NV: 10.00 ]	903700	12.55	903700	12.55	0.00	451850	20.26	903700	12.55	-7.71
JAMUNA SYNTHETICS PRIVATE LIMITED	Equity [NV: 10.00 ]	859350	11.94	859350	11.94	0.00	13875	0.62	859350	11.94	11.32
<b>Total</b>		<b>5278130</b>		<b>5278130</b>			<b>2223265</b>		<b>5278130</b>		

**Note No. 3 Reserves and surplus**
**₹ in lakhs**

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Surplus</b>		
Opening Balance	1,603.48	1,146.17
Add: Profit for the year	553.71	457.31
Add: Profit of Associate	17.64	10.17
Less : Deletion during the year		
<b>Closing Balance</b>	<b>2217.20</b>	<b>1645.85</b>
<b>Securities premium</b>		
Opening Balance	3,391.95	2,088.65
Add: Addition during the year		1,567.91
Less : Deletion during the year		264.61
<b>Closing Balance</b>	<b>3,391.95</b>	<b>3,391.95</b>
<b>Capital subsidy</b>		
Opening Balance	318.34	326.44
Add: Addition during the year		
Less : Deletion during the year		8.10
<b>Closing Balance</b>	<b>318.34</b>	<b>318.34</b>
<b>Balance carried to balance sheet</b>	<b>5927.49</b>	<b>5356.14</b>

**Note No. 4 Long-term borrowings**

₹ in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
<b>Term Loan - From banks</b>						
Term loan from bank and financial institutions secured	4,669.58	1,157.30	5,826.88	5,333.22	882.25	6,215.47
	<b>4,669.58</b>	<b>1,157.30</b>	<b>5,826.88</b>	<b>5,333.22</b>	<b>882.25</b>	<b>6,215.47</b>
<b>Loans and advances from related parties</b>						
Loans directors Unsecured	379.24		379.24	421.65		421.65
	<b>379.24</b>		<b>379.24</b>	<b>421.65</b>		<b>421.65</b>
<b>Other Loans and advances</b>						
Loan from financial institution unsecured					7.45	7.45
Loan from corporates unsecured	516.15		516.15	121.55		121.55
	<b>516.15</b>		<b>516.15</b>	<b>121.55</b>	<b>7.45</b>	<b>129.00</b>
<b>The Above Amount Includes</b>						
Secured Borrowings	4,669.58	1,157.30	5,826.88	5,333.22	882.25	6,215.47
Unsecured Borrowings	895.38		895.38	543.20	7.45	550.65
Amount Disclosed Under the Head "Short Term Borrowings"(Note No. 6)		(1,157.30)	(1,157.30)		(889.70)	(889.70)
<b>Net Amount</b>	<b>5,564.97</b>	<b>0</b>	<b>5,564.97</b>	<b>5,876.42</b>	<b>0</b>	<b>5,876.42</b>

**a. Term of Repayment of Loan**

**1) Term Loan-II from State Bank of India, Commercial Branch, Bhilwara**

[Repayable in 28 quarterly installments commencing on 30.03.2016 and ending on 31.03.2023 with first eight installments of Rs.15 Lacs each, next eight installments of Rs.20.00 Lacs each, next eight installments of Rs.28.00 Lacs each, & last four installments of Rs.35.00 Lacs each]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**2) Term Loan-I (BHL) from Bank of Baroda**

[Repayable in 30 quarterly installments commencing in Feb 19 and ending in May 19 with first ten installments of Rs.50 Lacs each, next eight installments of Rs.60.00 Lacs each & last twelve installments of Rs.65.00 Lacs each]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited.

**3) Term Loan-II (BHL) from Bank of Baroda**

[Repayable in 28 quarterly installments commencing in March 2021 and ending in December 2027 with 27 installments of Rs.3.80 Lacs each & last installment of Rs.2.40 Lacs]

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**4) Vehicle Loans**

[Secured by the hypothecation of vehicle]

**5) GECL from Bank of Baroda**

(1 Year Moratorium, 35 monthly installments of 772000/- and last installment of 780000) (Secured by guarantee of Government of India)

**6) GECL from State Bank of India**

(1 Year Moratorium, 35 monthly installments of 1014000/- and last installment of 1010000, repayment beginning in September 2021) (Secured by guarantee of Government of India)

**7) GECL from Bank of Baroda**

(2 Years Moratorium , 36 Monthly installments of Rs 433333.33 after moratorium period is over )

**8) GECL from State Bank of India**

(24 Months Moratorium , 36 equal monthly installments of 500000/- beginning from 29 November, 2021)

**9) Term Loan-MP from Bank of Baroda**

(12 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.46 crs , next four quarterly installments of Rs 0.56 crs, next four quarterly installments of Rs 0.60 crs, next four quarterly installments of Rs 0.61 crs, next four quarterly installments of Rs 0.65 crs , next four quarterly installments of Rs 0.66 crs, next four quarterly installments of Rs 0.69 crs) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**10) Term Loan-MP from State Bank of India**

(15 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.34 crs , next four quarterly installments of Rs 0.42 crs, next four quarterly installments of Rs 0.44 crs, next four quarterly installments of Rs 0.46 crs, next four quarterly installments of Rs 0.49 crs , next four quarterly installments of Rs 0.50 crs, next four quarterly installments of Rs 0.52 crs) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**11) Term Loan-MP from Union Bank of India**

(12 Months Moratorium, 26 quarterly installments beginning from 31.12.2022- Two quarterly installments of Rs 0.42 crs , next four quarterly installments of Rs 0.52 crs, next four quarterly installments of Rs 0.56 crs, next four quarterly installments of Rs 0.58crs, next four quarterly installments of Rs 0.61 crs , next four quarterly installments of Rs 0.63 crs, next three quarterly installments of Rs 0.65 crs and last instalment of rs. 0.61 Crs.) Securities Offered

A) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of equitable mortgage of Factory land and Building.

B) Pari Passu 1st Charge of State bank of India, Bank Of Baroda and Union Bank by way of hypothecation of entire fixed assets of the company

C) Personal Guarantee of Directors and corporate guarantee of M/S Gomoto textile Private Limited, M/S Sakina Textile Private Limited, Divine Suitings Private Limited and Modway Suitings Private limited

**Note No. 4(a) Long-term borrowings: Term loan from bank and financial institutions**

₹ in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term loan from SBI-2		71.00	71.00	84.64	126.00	210.64
GECL from BOB	134.33	21.67	156.00	155.94		155.94

GECL from SBI	155.00	25.00	180.00	180.00		180.00
Term loan_BOB_MP	1,340.00	214.00	1,554.00	1,400.50	92.00	1,492.50
CCECL From SBI					12.40	12.40
Term Loan_SBI_MP	1,006.00	126.00	1,132.00	985.32	68.00	1,053.32
Term Loan_Union Bank_MP	1,208.00	208.00	1,416.00	1,220.86	84.00	1,304.86
Term loan from BOB-1	649.25	250.00	899.25	890.19	240.00	1,130.19
Term loan from BOB-2	59.40	15.20	74.60	73.11	15.20	88.31
Vehicle loan	10.37	12.12	22.49	21.78	30.34	52.12
GECL from BOB	46.40	92.64	139.04	138.38	92.64	231.02
GECL from SBI	60.83	121.67	182.50	182.50	121.67	304.17
<b>Total</b>	<b>4,669.58</b>	<b>1,157.30</b>	<b>5,826.88</b>	<b>5,333.22</b>	<b>882.25</b>	<b>6,215.47</b>

**Note No. 4(b) Long-term borrowings: Loans directors Unsecured**

₹ in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
From directors,shareholders and relatives	379.24		379.24	421.65		421.65
<b>Total</b>	<b>379.24</b>		<b>379.24</b>	<b>421.65</b>		<b>421.65</b>

**Note No. 5 Deferred Tax**

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Deferred tax liability</b>		
Deferred tax liability other	92.27	29.33
<b>Gross deferred tax liability</b>	<b>92.27</b>	<b>29.33</b>
<b>Net deferred tax liability</b>	<b>92.27</b>	<b>29.33</b>

**Note No. 6 Provisions**

₹ in lakhs

Particulars	As at 31st March 2023			As at 31st March 2022		
	Long-term	Short-term	Total	Long-term	Short-term	Total
<b>Provision for employee benefit</b>						
Provsion other employee related liabilities	98.93		98.93	68.31		68.31
	<b>98.93</b>		<b>98.93</b>	<b>68.31</b>		<b>68.31</b>
<b>Other provisions</b>						
Provision for income tax		144.72	144.72		196.54	196.54
Provision for audit fees		3.00	3.00		0.50	0.50
		<b>147.72</b>	<b>147.72</b>		<b>197.04</b>	<b>197.04</b>
<b>Total</b>	<b>98.93</b>	<b>147.72</b>	<b>246.65</b>	<b>68.31</b>	<b>197.04</b>	<b>265.36</b>

**Note No. 7 Short-term borrowings**

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Loans Repayable on Demands - From banks</b>		
Working capital loans banks secured	4,617.40	623.45
	<b>4,617.40</b>	<b>623.45</b>
<b>Current maturities of long-term debt</b>	<b>1,157.30</b>	<b>889.70</b>
	<b>1,157.30</b>	<b>889.70</b>
<b>Total</b>	<b>5,774.70</b>	<b>1,513.14</b>

**Note No. 8 Trade payables**

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>(B) Others</b>		
Sundry creditors	4,483.49	254.91
	<b>4,483.49</b>	<b>254.91</b>
<b>Total</b>	<b>4,483.49</b>	<b>254.91</b>

Trade Payables Ageing Schedule

₹ in lakhs

Particular	Current Year					Previous Year				
	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
MSME					0.00	0.00	0.00	0.00	0.00	0.00
Others	4480.66	2.22	0.16	0.45	4483.49	254.91				254.91
Disputed Dues-MSME					0.00					0.00
Disputed- Others					0.00					0.00

Note No. 9 Other current liabilities

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Others payables</b>		
Interest accrued but due on term loan	13.45	4.76
Salary and wages payable	102.63	54.30
TDS payable	31.00	27.34
Power bill payable	48.78	40.63
GST Payable	8.98	3.69
Bonus payable	23.96	12.12
Expenses payable	10.07	2.77
BOB Credit Card	13.31	
GST Payable	0.32	17.51
<b>Total</b>	<b>252.51</b>	<b>163.12</b>

Note No. 10 Property, Plant and Equipment and Intangible assets as at 31st March 2023

₹ in lakhs

Assets	Gross Block					Accumulated Depreciation/ Amortisation				Net Block		
	Useful Life (In Years)	Balance as at 1st April 2022	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2023	Balance as at 31st March 2022	Balance as at 31st March 2022
<b>A Tangible assets</b>												
<b>Own Assets</b>												
Land		775.19	5.48			780.67					780.67	775.19
Factory Building		669.41	1,010.93			1,680.34	155.50	48.98		204.49	1,475.85	513.90
Office Equipment		26.21	14.44			40.65	14.85	7.82		22.67	17.98	11.36
Vehicles		303.71	11.36		21.00	294.06	186.91	31.90	19.95	198.86	95.20	116.80
Plant and Machinery		5,219.51	3,704.53			8,924.04	3,313.05	612.49		3,925.54	4,998.50	1,906.46
Electric Installation		555.93	404.49			960.42	212.74	81.96		294.70	665.72	343.19
Furniture		5.73	5.02			10.75	2.03	0.77		2.80	7.95	3.70
Computer		16.36	9.95			26.32	11.18	4.11		15.28	11.03	5.18
<b>Total (A)</b>		<b>7,572.05</b>	<b>5,166.19</b>		<b>21.00</b>	<b>12,717.24</b>	<b>3,896.26</b>	<b>788.03</b>	<b>19.95</b>	<b>4,664.34</b>	<b>8,052.91</b>	<b>3,675.79</b>
<b>P.Y Total</b>		<b>7,000.17</b>	<b>571.88</b>			<b>7,572.05</b>	<b>3,424.63</b>	<b>471.63</b>		<b>3,896.26</b>	<b>3,675.79</b>	<b>3,575.54</b>
<b>B Capital work in progress</b>												
Building		865.04	455.51		1,010.93	309.62					309.62	865.04
Plant and Machinery		3,106.65			3,106.65							3,106.65
Electric Installation		119.16			119.16							119.16
<b>Total (B)</b>		<b>4,090.85</b>	<b>455.51</b>		<b>4,236.74</b>	<b>309.62</b>					<b>309.62</b>	<b>4,090.85</b>
<b>P.Y Total</b>			<b>4,090.85</b>			<b>4,090.85</b>					<b>4,090.85</b>	
<b>C Intangible assets under Development</b>												
Intangible Asset Under Development	10.00		37.98			37.98					37.98	
<b>Total (C)</b>			<b>37.98</b>			<b>37.98</b>					<b>37.98</b>	
<b>Current Year Total (A + B + C)</b>		<b>11,662.90</b>	<b>5,659.68</b>		<b>4,257.74</b>	<b>13,064.85</b>	<b>3,896.26</b>	<b>788.03</b>	<b>19.95</b>	<b>4,664.34</b>	<b>8,400.51</b>	<b>7,766.64</b>
<b>Previous Year Total</b>		<b>7,000.17</b>	<b>4,662.73</b>			<b>11,662.90</b>	<b>3,424.63</b>	<b>471.63</b>		<b>3,896.26</b>	<b>7,766.64</b>	<b>3,575.54</b>

General Notes :

- No depreciation if remaining useful life is negative or zero.
- Depreciation is calculated on pro-rata basis in case assets is purchased/sold during current FY.
- If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.

**CWIP aging schedule**

Assets Name	Group	CWIP	Current Year					Previous Year				
			Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
Building	Buildings	Projects in progress	309.62				309.62	865.04				865.04
Plant and Machinery	Plant and Machinery	Projects in progress						3106.65				3106.65
Electric Installation	Electrical Installations and Equipment	Projects in progress						119.16				119.16
		<b>Total</b>	<b>309.62</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>309.62</b>	<b>4090.85</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4090.85</b>

**Intangible assets under development**

Assets Name	Group	CWIP	Current Year					Previous Year				
			Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total	Less than 1 Yrs	1-2 Years	2-3 Years	More than 3 Yrs	Total
Intangible Asset Under Development	Other intangible assets	Projects in progress	3798247.00				3798247.00					0.00
		<b>Total</b>	<b>3798247.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3798247.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Note No. 11 Non-current investments**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>Non-Trade Investment (Valued at cost unless stated otherwise)</b>				
<b>Other non-current investments (Unquoted)</b>				
<b>In Others</b>				
Other investments long-term unquoted non-trade (Lower of cost and Market value)		321.76		304.12
<b>Gross Investment</b>		<b>321.76</b>		<b>304.12</b>
<b>Net Investment</b>		<b>321.76</b>		<b>304.12</b>
<b>Aggregate amount of unquoted investments</b>		<b>321.76</b>		<b>304.12</b>

**Note No. 12 Loans and advances**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>Other loans and advances</b>				
TDS receivable		48.80		24.67
Tuff receivable		125.61		125.61
Prepaid expenses (Unsecured)		23.66		2.96
Fixed deposit with bank	52.02		50.03	
Other loans advances (Unsecured)		47.19		89.00
Rips subsidy receivable		21.14		35.04
Duties and taxes for GST		307.62		561.25
TCS		0.15		6.87
Interest accrued on AVVNL Deposit		4.21		4.47
Loan to employees		19.77		18.63
License Receivable		0.12		
ICICI Bank Credit Card		0.84		
Capital Subsidy Receivable		310.45		
IGST Refund Receivable		11.82		
<b>Total</b>	<b>52.02</b>	<b>921.38</b>	<b>50.03</b>	<b>868.50</b>
<b>Total</b>	<b>52.02</b>	<b>921.38</b>	<b>50.03</b>	<b>868.50</b>

**Note No. 13 Other non-current assets**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>Security Deposit</b>		<b>103.63</b>		<b>82.98</b>
<b>Other Assets</b>				
<b>Miscellaneous expenditure not written off</b>				
Preoperative expenses		16.53		244.54
Advance for capital goods		728.53		215.19
<b>Total</b>		<b>728.53</b>		<b>215.19</b>
<b>Total</b>		<b>848.69</b>		<b>542.71</b>

**Note No. 14 Inventories**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
<b>(Valued at cost or NRV unless otherwise stated)</b>				
Raw Material		1,925.27		272.30
WIP		2,119.77		1,256.95
Finished Goods		2,533.81		1,388.89
Stores and spares		10.50		9.12
Raw material_MP		220.58		99.66
<b>Total</b>		<b>6,809.92</b>		<b>3,026.93</b>

**Note No. 15 Trade receivables**

₹ in lakhs

Particulars	As at 31st March 2023		As at 31st March 2022	
	Long-term	Short-term	Long-term	Short-term
Secured, Considered good				
Unsecured, Considered Good		5,665.05		1,409.09
Doubtful				
Allowance for doubtful receivables				
<b>Total</b>		<b>5,665.05</b>		<b>1,409.09</b>

**(Current Year)**

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment#					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)	5,595.38	39.02	24.06	1.59	5.00	5,665.05
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

**(Previous Year)**

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment#					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)	1,218.54	109.50	75.78		5.27	1,409.09
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						
(v) Provision for doubtful receivables						

**Note No. 16 Cash and cash equivalents**

₹ in lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Balance with banks</b>		
Other deposits with banks	0.21	208.32
<b>Total</b>	<b>0.21</b>	<b>208.32</b>
<b>Cash in hand</b>		
Cash in hand	42.56	2.07
<b>Total</b>	<b>42.56</b>	<b>2.07</b>
<b>Total</b>	<b>42.77</b>	<b>210.39</b>

**Note No. 17 Revenue from operations**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Sale of products</b>		
Finish fabrics	17,721.23	936.83
Grey sales	43.07	10,428.73
Yarn sale	2,235.05	14.52
	<b>19,999.35</b>	<b>11,380.08</b>
<b>Sale of services</b>	1,929.94	1,503.07
<b>Net revenue from operations</b>	<b>21,929.29</b>	<b>12,883.15</b>

**Note No. 18 Other income**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Interest Income</b>		
Other interest income	5.93	5.81
	<b>5.93</b>	<b>5.81</b>
<b>Net gain/loss on sale of investments</b>		
Profit on sale of fixed assets	8.23	
	<b>8.23</b>	
<b>Other non-operating income</b>		
Scrap sale	49.31	33.33
Revenue recognition of capital subsidy		8.10
	<b>49.31</b>	<b>41.43</b>
<b>Total</b>	<b>63.47</b>	<b>47.24</b>

**Note No. 19 Cost of material Consumed**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Inventory at the beginning</b>		
Raw Material	371.96	206.05
	<b>371.96</b>	<b>206.05</b>
<b>Add:Purchase</b>		
Raw Material	15,407.71	8,848.20
	<b>15,407.71</b>	<b>8,848.20</b>
<b>Less:-Inventory at the end</b>		
Raw Material	2,145.85	371.96
	<b>2,145.85</b>	<b>371.96</b>
<b>Total</b>	<b>13,633.82</b>	<b>8,682.29</b>

**Details of material consumed**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	12,537.87	8,682.29
Consumption of dyes and chemical	1,095.95	
	<b>13,633.82</b>	<b>8,682.29</b>
<b>Total</b>	<b>13,633.82</b>	<b>8,682.29</b>

**Details of inventory**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	1,925.27	272.30
Consumption of dyes and chemical	220.58	99.66
	<b>2,145.85</b>	<b>371.96</b>
<b>Total</b>	<b>2,145.85</b>	<b>371.96</b>

**Details of purchase**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
<b>Raw Material</b>		
Consumption of raw material	14,190.84	8,748.54
Consumption of dyes and chemical	1,216.87	99.66
	<b>15,407.71</b>	<b>8,848.20</b>
<b>Total</b>	<b>15,407.71</b>	<b>8,848.20</b>

Particulars	31st March 2023		31st March 2022	
	Value	%to total Consumption	value	%to total Consumption
<b>Raw Material</b>				
Imported	1,095.95	8.04		
Indigenous	12,537.87	91.96	8,682.29	100.00
	13,633.82	100.00	8,682.29	100.00

Note No. 20 Purchase of stock-in-trade			₹ in lakhs
Particulars	31st March 2023	31st March 2022	
Finish fabrics	3,871.66	859.56	
<b>Total</b>	<b>3,871.66</b>	<b>859.56</b>	

Note No. 21 Changes in inventories			₹ in lakhs
Particulars	31st March 2023	31st March 2022	
<b>Inventory at the end of the year</b>			
Finished Goods	2,533.81	1,388.89	
Work-in-Progress	2,119.77	1,256.95	
	<b>4,653.57</b>	<b>2,645.85</b>	
<b>Inventory at the beginning of the year</b>			
Finished Goods	1,388.89	1,437.84	
Work-in-Progress	1,256.95	1,413.19	
	<b>2,645.85</b>	<b>2,851.02</b>	
<b>(Increase)/decrease in inventories</b>			
Finished Goods	(1,144.92)	48.94	
Work-in-Progress	(862.81)	156.23	
	<b>(2,007.73)</b>	<b>205.18</b>	

Note No. 22 Employee benefit expenses			₹ in lakhs
Particulars	31st March 2023	31st March 2022	
<b>Salaries and Wages</b>			
Salaries paid	145.70	126.31	
Wages paid	712.07	356.44	
Other Employee Related Expenses	1.50	1.64	
	<b>859.27</b>	<b>484.39</b>	
<b>Contribution to provident and other fund</b>			
P.F and E.S.I contribution	43.98	23.37	
Gratuity	30.62	68.31	
	<b>74.60</b>	<b>91.68</b>	
<b>Staff welfare Expenses</b>			
Staff Welfare Expenses	10.89	2.62	
Bonus	34.69	12.12	
	<b>45.58</b>	<b>14.74</b>	
<b>Total</b>	<b>979.45</b>	<b>590.81</b>	

Note No. 23 Finance costs			₹ in lakhs
Particulars	31st March 2023	31st March 2022	
<b>Interest</b>			
Interest on term loan	474.97	175.73	
Interest paid to bank on cc limit	302.45	89.21	
Interest on car loan	2.42	3.60	
Interest on u\loan and others	8.42	13.38	
Other interest charges	24.11	8.35	
Interest on truck loan		2.36	
Interest on Bill Discounting	24.50		
Interest on Yarn Purchase	10.78		

	<b>847.65</b>	<b>292.63</b>
<b>Other Borrowing costs</b>		
Bank charges	3.53	0.29
Processing and stamping	10.73	9.36
	<b>14.26</b>	<b>9.65</b>
<b>Total</b>	<b>861.91</b>	<b>302.28</b>

**Note No. 24 Depreciation and amortization expenses**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Depreciation on tangible assets	788.03	471.63
<b>Total</b>	<b>788.03</b>	<b>471.63</b>

**Note No. 25 Other expenses**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Audit fees	3.00	0.50
Administrative expenses	387.17	131.06
Selling and distribution expenses	186.10	16.61
Manufacturing service costs	2,527.95	1,060.91
<b>Total</b>	<b>3,104.22</b>	<b>1,209.08</b>

**Note No. 25(a) Other expenses: Audit fees**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Statutory audit fees	2.00	0.50
Internal audit fees	0.25	
Tax audit fees	0.75	
<b>Total</b>	<b>3.00</b>	<b>0.50</b>

**Note No. 25(b) Other expenses: Administrative expenses**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Government license fees	2.96	0.45
Legal and professional expenses	32.16	11.66
Insurance expenses	36.84	25.10
Keyman Insurance	17.51	
Rates and taxes	0.17	1.17
Telephone and postage expenses	2.60	0.22
Printing and stationery	10.30	2.66
Vehicle running expenses	19.77	2.63
Computer and printer expenses	2.07	2.82
Membership fees	0.24	0.26
Office rent	5.82	5.85
Donations	31.37	0.04
Water expenses	1.82	2.17
Festival celebration expenses	3.94	1.87
Other Misc. expenses	9.40	1.95
Director remuneration	180.00	72.00
GST and other late fees	0.03	0.07
Stock audit expenses	0.69	0.15
Postage expenses	0.29	
Software Expenses	7.50	
Director Sitting Fees	2.40	
GST Demand	9.65	
CSR Expenses	9.65	
<b>Total</b>	<b>387.17</b>	<b>131.06</b>

**Note No. 25(c) Other expenses: Selling and distribution expenses**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Job and agency commission	102.04	14.31
Grading and packing expenses	43.04	0.85
Tour and travelling expenses	26.23	0.68
Advertising expenses	8.03	0.78
Hotel Expense	1.89	
Freight Expenses	4.14	
Rate Difference	0.75	
<b>Total</b>	<b>186.10</b>	<b>16.61</b>

**Note No. 25(d) Other expenses: Manufacturing service costs**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Stores and spares	124.36	71.29
Electric expenses	4.33	4.99
Power and fuel	952.81	788.84
Oil and lubricant	16.87	15.68
Repairs and maintenance of other assets	10.41	8.61
Transport expenses	65.14	170.88
Factory expenses		0.04
Job charges	989.84	
Other manufacturing service cost	5.62	0.58
Fire & Fitting	3.83	
Agro Waste Expenses	32.37	
Water Expenses	322.37	
<b>Total</b>	<b>2,527.95</b>	<b>1,060.91</b>

**Note No. 26 Current tax**

₹ in lakhs

Particulars	31st March 2023	31st March 2022
Current tax pertaining to current year	144.72	196.54
<b>Total</b>	<b>144.72</b>	<b>196.54</b>

**Note No. 27 Deferred tax**

in lakhs

Particulars	31st March 2023	31st March 2022
Deferred tax	62.94	(44.27)
<b>Total</b>	<b>62.94</b>	<b>(44.27)</b>

**Note No. 28 Earning Per Share**

₹ in lakhs

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Basic</b>				
Profit after tax (A)	553.71	457.31	553.71	457.31
Weighted average number of shares outstanding (B)	72.00	72.00	72.00	72.00
Basic EPS (A / B)	7.69	6.35	7.69	6.35
<b>Diluted</b>				
Profit after tax (A)	553.71	457.31	553.71	457.31
Weighted average number of shares outstanding (B)	72.00	72.00	72.00	72.00
Diluted EPS (A / B)	7.69	6.35	7.69	6.35
Face value per share	10.00	10.00	10.00	10.00



# **SWARAJ SUITING LIMITED**

(CIN : L18101RJ2003PLC018359)

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