



SWARAJ SUITING LIMITED

Weaving The Future

ANNUAL REPORT

2021-22



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

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

STATUTORY AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENT

BIGSHARE SERVICES PRIVATE LIMITED
Office No. S6-2, 6th 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

BANKERS

State Bank of India
Bank of Baroda
Union Bank of India

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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DIRECTORS' REPORT

Dear Members,

The Board of Directors are pleased to present the Company's 19th Annual Report and the Company's audited financial statements for the financial year ended March 31, 2022.

FINANCIAL RESULTS

The Company's financial performance (standalone and consolidated) for the year ended March 31, 2022 is summarized below:

	STANDALONE		CONSOLIDATED	
	₹ lakh		₹ lakh	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	12883.15	5986.84	12883.15	5986.84
Other Income	47.24	34.72	47.24	34.72
Profit before depreciation, finance cost, exceptional items & tax expenses	1383.48	1018.46	1383.48	1018.46
Less: Depreciation/ Amortization / Impairment	471.63	398.35	471.63	398.35
Profit before finance cost, exceptional items & tax expenses	911.85	620.11	911.85	620.11
Less : Finance Cost	302.27	294.82	302.27	294.82
Profit before exceptional items & tax expenses	609.58	325.29	609.58	325.29
Less- Exceptional Items	0.00	0.00	0.00	0.00
Profit before tax expenses	609.58	325.29	609.58	325.29
Less: -Tax expenses				
- Current Tax	196.54	64.15	196.54	64.15
- Deferred Tax	-44.27	0.00	-44.27	0.00
Profit for the year	457.31	261.14	457.31	261.14

RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The highlights of the company's performance (standalone) for the year ended March 31, 2022 are as under:

- Revenue from operations increased by 115.19 % to ₹ 12,883.15 lakh
- PBDIT increased by 35.84 % to ₹ 1383.48 lakh
- Profit Before Tax increased by 87.40 % to ₹ 609.58 lakh
- Net Profit increased by 75.12 % to ₹ 457.31 lakh

OPERATIONS

Your Directors are pleased to inform that despite of the outbreak of Covid-19, your company have recorded highest standalone revenue of ₹ 12,883.15 lakh from operations (including other income) in current year compared to ₹ 5986.84 lakh with a remarkable growth of 115.19 % 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

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challenges faced after worldwide CoVID-19 pandemic the Company has, earned standalone net profit of ₹457.31 lakh during the year as compared to net profit of ₹ 261.14 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 2021-22.

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. However, the Company have received security premium amount of ₹690.23 Lakh in right issue of 415800 equity shares and ₹ 877.68 Lakh in the public issue of 1908000 equity shares of Rs.10/- each at a premium of Rs.46/- per share allotted on 23rd March, 2022 and transferred the same to Security Premium Reserves. However the Company utilized the amount of Rs.264.61 Lakh from Security Premium Account to issue the Bonus Shares of 2646065 equity shares of Rs.10/- each.

UPDATE ON EXAPNSION PLAN

The Company has strategically planned and implemented the vertical integration of its operations to the next level of supply chain, aiming to lower production costs and increase the efficiency of the company. The Company established a denim processing plant in the state of 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 Commercial Production of Unit-2 has commenced, whose impact on turnover of the Company, will be seen from third quarter. The said project cost is Rs. 71.37 Crore.

INITIAL PUBLIC OFFER- SME EMERGE

The Company, pursuant to the provisions of Section 26 and 32 of the Companies Act, 2013 read with rules made there under, including the SEBI (ICDR) Regulations, 2018 (as amended), and in terms of Prospectus Dated 09th March 2022, offered 19,08,000 (nineteen lakh eight thousand) equity shares of face value of Rs.10/- each, at a premium of Rs.46/- per equity share, through Fixed Price process, in the Initial Public Offer (IPO) to meet the working capital requirements of new denim processing expansion project. The Issue opened on Tuesday, the 15th March, 2022 and closed on Thursday, the 17th March, 2022. The issue and allotment of equity shares in the capital of the Company was made on Wednesday, the 23rd March, 2022. The designated Stock Exchange - National Stock Exchange of India Limited, has approved, the listing and trading of equity shares in the capital of the Company, on its SME Platform namely SME EMERGE, w.e.f. Monday, the 28th March, 2022.

Your Directors place their sincere thanks to all the investors and the NSE, SEBI, Merchant Bankers and all the agencies for their guidance and support. The Company's equity shares are regularly being traded at the floor of the SME EMERGE Platform of NSE.

CAPITAL STRUCTURE

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.

During the year under review the Company have issue and allotted 4,15,800 equity shares of face value of Rs.10/- each, at a premium of Rs.166/- per equity share on rights basis and 19,08,000 equity shares of face value of Rs.10/- each, at a premium of Rs.46/- per equity share, to successful applicants under its

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Initial Public Offer as per prospectus dated March 09, 2022. The Company also raised its paid up share capital by way of Bonus Issue of 26,46,065 equity shares.

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, 2021, 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	U18108RJ1986P TC003788	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:

- in the preparation of the annual financial statements for the year ended March 31, 2022, 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;
- 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, 2022 and of the profit of the company for year ended on that date;
- 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;
- the Directors have prepared annual financial statements have been prepared on a going concern basis;
- 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

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- (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 2021-22.

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, Mr. Nasir Khan (DIN: 07775998), 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. Changes in Directors and Key Managerial Personnel

During the year under review, the members approved the appointments of Mrs. Annie Zuberi & Mrs. Amreen Sheikh as an Independent Directors w.e.f. October 05, 2021 for the five years and Mr. Ramesh Agarwal as an Independent Director w.e.f. October 05, 2021 for the one year i.e. till October 04, 2022.

The Board of Directors, based on performance evaluation and as per the recommendation of the Nomination and Remuneration Committee has commended the re-appointment of Mr. Ramesh Agarwal as an Independent Director of the Company for a term of five consecutive years, w.e.f. October 05, 2022, on completion of his current term of office. In the opinion of the Board, he possesses requisite expertise, integrity and experience for appointment as an Independent Director of the Company and the Board considers that the continued association of Mr. Ramesh Agarwal would be beneficial to the Company.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Nasir Khan (DIN:07775998) whole time director designated as the Executive Director of the Company are liable to

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retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

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 13 (Thirteen) times in the Financial Year 2021-22 viz., 10th May 2021, 28th July 2021, 10th September 2021, 28th September 2021, 07th October 2021, 03rd November 2021, 24th November 2021, 29th November 2021, 01st December 2021, 27th December 2021, 18th February 2022, 09th March 2022 and 23rd March 2022. 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*
10.05.2021	Yes	Yes	Yes	-	-	-
28.07.2021	Yes	Yes	Yes	-	-	-
10.09.2021	Yes	Yes	Yes	-	-	-
28.09.2021	Yes	Yes	Yes	-	-	-
07.10.2021	Yes	Yes	Yes	Yes	Yes	Yes
03.11.2021	Yes	Yes	Yes	Yes	Yes	Yes
24.11.2021	Yes	Yes	Yes	Yes	Yes	Yes
29.11.2021	Yes	Yes	Yes	Yes	Yes	Yes
01.12.2021	Yes	Yes	Yes	Yes	Yes	Yes
27.12.2021	Yes	Yes	Yes	Yes	Yes	Yes
18.02.2022	Yes	Yes	Yes	Yes	Yes	Yes

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09.03.2022	Yes	Yes	Yes	Yes	Yes	Yes
18.03.2022	Yes	Yes	Yes	Yes	Yes	Yes

* Mrs. Annie Zuberi, Mrs. Amreen Sheikh and Mr. Ramesh Agarwal appointed as an Independent Directors w.e.f. October 05, 2021.

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 31st March 2022 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness 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 2021-22, the Audit Committee met 3 (three) times on 07.10.2021, 31.01.2022 and 23.03.2022.

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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 2021-22, the Nomination and Remuneration Committee met 2 (three) times on 07.10.2021 and 18.02.2022.

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 2021-22, the Stakeholders' Relationship Committee met on 31.03.2022.

MEETINGS OF MEMBERS

During the year under review, 18th Annual General Meeting of the Company held on 05th October, 2021 and at 12th & 13th Extra Ordinary General meeting of the Company held on 25th December, 2021 and 07th January, 2022, respectively.

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, 2022 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, 2022 hereunder:

	CDSL	NSDL	TOTAL
Shares in Demat	6553030	647100	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, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai-400093.

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SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material orders were passed by the Regulators or Courts or Tribunals which may impact the Going concern status and Company's operations in future

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 16th 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. 2021-22. 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.

Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

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 2021-22.

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 of Directors, on the recommendations of the Audit Committee, of the Company, has appointed M/s Sanjay Somani & Associates, Company Secretaries, Bhilwara, [ICSI Membership No. FCS- 6958 & Certificate of Practice No. 5270], as the Secretarial Auditors of the Company for the financial year 2021-22.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any adverse remarks and qualifications, hence do not call for any further explanation/s by the Company. The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, for the financial year 2021-22 forms part of the Annual Report as "Annexure-2".

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, your directors have appointed M/s Avnesh Jain & Company, Cost Accountants (FRN: 101048), being eligible, to conduct Cost Audit of the Company for the financial year 2020-21 at a remuneration of Rs.35,000/-

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subject to ratification by members. Accordingly, the proposal has been included in the notice to ratify the remuneration being offered.

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 Brickwork Ratings in their recent review for total bank facilities of Rs.95 Crores availed by the Company, has revised the Credit Rating of the Company. The details of new Credit Rating assigned to the Company vis-à-vis previous Credit Rating are given below: -

	Previous Credit Rating (Total Bank facilities of Rs.37.00 Crores)	Revised Credit Rating (Total Bank facilities of Rs.95.00 Crores)
Long Term facilities Rated	BWR BBB- (Stable)	BWR BBB - /Stable (reaffirmed)
Short Term facilities Rated	BWR A3	BWR A3 (reaffirmed)

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

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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 2021-22

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>)

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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 2021-2022 ended 31st March 2022.

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

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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".

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 2021-22 ended on 31 March 2022 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.

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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.

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, August 24, 2022

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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	31.03.2022
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.

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6	Net worth attributable to shareholding as per latest audited Balance Sheet	2,96,95,932.07
7	Profit or Loss for the year	
	i. Considered in Consolidation	10,17,095.32
	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 even date

For and on behalf of the Board

For S.K. Toshniwal and Co.

Chartered Accountants
(FRN: 008852C)

Sd/-
Mohammed Sabir Khan
Managing Director

Sd/-
Prakash Chandra Jain
Chief Financial Officer

Sd/-
Sunil Kumar Toshniwal
PARTNER
Membership No.:078136
Place: BHILWARA
Date: 30.05.2022
UDIN:21078136AKBWEG1152

Sd/-
Nasir Khan
W.T. Director

Sd/-
Rahul Kumar Verma
Company Secretary

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ANNEXURE – 2

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[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 the Company’s Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, and we hereby report that in our opinion, the Company has, during the audit period for the Financial Year ended on 31st March, 2022 (1st April, 2021 to 31st March, 2022) 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 Swaraj Suiting Limited (“the Company”) for the financial year ended on 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. However, the provisions related to Overseas Direct Investment and External Commercial Borrowings was not applicable;
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
 - (a) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (b) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (c) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (ii) 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: -

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- (a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
- (c) The SEBI (Delisting of Equity Shares) Regulations, 2009;
- (d) The SEBI (Buyback of Securities) Regulations, 1998;
- (e) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(vi) 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 issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as applicable on Small Company listed with the SME platform. (As the Company is listed on Emerge platform of NSE w.e.f. 28th March, 2022.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notices were given to all directors and the committee members to schedule the Board and Committee Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

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.

We further report that during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows: -

1. The company had filed prospectus with the Registrar of Companies, Jaipur, on 09th March, 2022 and the Initial public issue was open from 15th March 2022 to 17th March, 2022 for 19,08,000 equity shares of Rs 10/- each at a premium of Rs. 46/- per share. The company made allotment of such shares on 23rd March, 2022 and got the status of Listed company w.e.f. 28th March, 2022 by listing of its shares at the EMERGE Platform of National Stock Exchange of India Limited and complied with the SEBI (ICDR) Regulations, 2009 as applicable on issuance of securities for listing on SME Platform.

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2. During the year the company has allotted 4,15,800 equity shares by way of right offer and 26,46,065 equity shares by way of Bonus shares.
3. The changes in the issued, subscribed and paid-up share capital, reserves and surplus, accounting of IPO proceeds shall reflect in the financial statements pertaining to the financial year 2021-2022 ended 31st March 2022.
4. The Authorized 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 (Seventy-Two Lakh One Hundred Thirty) Equity Shares of Rs.10/- each.

(Increased from Rs. 2,23,02,650 divided in to 7,20,01,300 Equity Shares of Rs. 10/- each.)

Place : Bhilwara

Date : 22/08/2022

UDIN : F006958D000828449

For: Sanjay Somani & Associates

Sd/-
Sanjay Somani
Proprietor
M. No.: FCS6958
COP No.: 5270

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.

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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.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of 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, guidelines, standards etc., are 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.

Place : Bhilwara
Date : 22/08/2022
UDIN : F006958D000828449

For: Sanjay Somani & Associates

Sd/-
Sanjay Somani
Proprietor
M. No.: FCS6958
COP No.: 5270

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ANNEXURE 3

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMIC SCENARIO

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

The textile industry in India is largest industry after agriculture and is also highly labour intensive offering the largest volume of employment. India is among the world's largest producer of textiles and apparels.

The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

As the result of policy and technological reforms in the textile industry the organized sector i.e. large-scale mill sector started applying modern machinery and techniques which have led to significant gains in technical efficiency and international competitiveness. The organized textile industry is characterized by the use of capital-intensive technology for mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing. However, the industries operating in the organized sector need to comply with numerous government labour and tax regulations, such industries are meeting needs of domestic as well as world market. On the other hand, industries operating in the small-scale "unorganized" sector have less stringent regulations and meeting the needs of India's predominately low-income domestic consumers.

INDUSTRY DEVELOPMENTS & STRUCTURE

➤ India is among the world's largest producers of Textiles and Apparel

The domestic apparel & textile industry in India contributes 5% to the country's GDP, 7% of industry output in value terms, and 12% of the country's export earnings. India is the 6th largest exporter of textiles and apparel in the world.

India is one of the largest producers of cotton and jute in the world. India is also the 2nd largest producer of silk in the world and 95% of the world's hand-woven fabric comes from India. The Indian technical textiles segment is estimated at \$16 bn, approximately 6% of the global market.

The textiles and apparel industry in India is the 2nd largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries.

India has also become the second-largest manufacturer of PPE in the world. More than 600 companies in India are certified to produce PPEs today, whose global market worth is expected to be over \$92.5 bn by 2025.

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- India's exports of textiles and apparel are expected to reach \$100 bn in the next 5 years, growing at a CAGR of 11%
- To double the Indian textile and apparel industry size to \$190 bn by 2025-26, 7 mega textile parks have been planned
- The Indian technical textiles market was estimated at \$17.6 bn in 2020-21 and grew at a CAGR of 10% since 2015-16
- The domestic technical textile market for synthetic polymer was valued at \$7.1 bn in 2020 and is projected to reach \$11.6 bn by 2027, growing at a CAGR of 7.2%, while technical textile market for wovens is expected to grow at a CAGR of 7.4% to \$15.7 bn by 2027, up from \$9.5 bn in 2020

Textile industry has vital importance for Indian economy as-

- It has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.
- Contributes 2% to India's GDP, 7% of industry output in value terms and 12% of the country's export earnings.

(Source: ibef-India brand equity foundation)

The Indian Textile Industry has inherent linkage with agriculture and with the culture and traditions of the country making for its versatile spread of products appropriate for both domestic and the export markets. The textile industry is operating under different segments such as Spinning (the process of converting cotton or manmade fiber into yarn), Weaving and Knitting (converting yarn into woven or knitted fabrics), Fabric Finishing/ Processing (dyeing, printing and other cloth preparations) and Clothing (apparel manufacturing). The textiles and apparel industry in India have strengths across the entire value chain from fiber, yarn, fabric to apparel. Presently, spinning is the most consolidated and technically efficient sector in India's textile industry.

The textile sector also has a direct lime with the rural economy and performance of major fiber crops and crafts such as cotton, wool, silk, handicrafts and handlooms, which employ millions of farmers and crafts persons in rural and semi-urban areas. It has been estimated that one out of every six households in the country depends directly or indirectly on this sector. India has several advantages in the textile sector, including abundant availability of raw material and labour. It is the second largest player in the world cotton trade. It has the largest cotton acreage, of about nine million hectares and is the third largest producer of cotton fiber in the world. It ranks fourth in terms of staple fiber production and fourth in polyester yarn production. The textile industry is also labour intensive, thus India has an advantage.

➤ **Indian textile market projected to grow at 7-9% CAGR between fiscal 2020 and 2026**

Indian textile and apparel market which is estimated to Rs. 8, 153 billion during fiscal 2021 and is projected to grow at a CAGR of 11 -13% from fiscal 2022 till fiscal 2026 and reach a value of Rs. 15,300 - 15,400 billion. During this period, the exports are expected to grow at a CAGR of 9-11% and domestic industry to grow at slightly higher pace of 13-15%. Over the past five years the Indian textile and apparel industry is estimated to have grown at a CAGR of 3% from fiscal 2016 to fiscal 2020.

The domestic market has grown at a higher pace of 4% while the exports had grown sluggishly at a CAGR of 0.5%. The slower growth in exports is majorly due to decline in fiscal 2020. During this period the exports saw a decline majorly due to global slowdown which has further compounded by the covid-19 pandemic leading the disruptions in supply chain and demand causing order cancellations. In addition to this, high export tariffs levied on Indian exporters in countries like European Union (EU) when compared to zero import for countries such as Bangladesh and Vietnam has further dampened the

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export performance. The further growth in Indian textile and apparel market will be led various economic factor such as increase in discretionary income, rising urban population. Furthermore, the demand is poised by increase in online retailing, shift from cotton to man-made fiber and global industry expanding outside of China would aid the Indian markets in the growth trajectory.

COMPANY REVIEW

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 2021-22 the Company has strategically planned and implemented the vertical integration of its operations to the next level of supply chain, aiming to lower production costs and increase the efficiency of the company. The Company established a denim processing plant in the state of 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 Commercial Production of Unit-2 has commenced, whose impact on turnover of the Company, will be seen from third quarter.

OPPORTUNITIES

- In recent times, China is facing issues with respect to wage increases and shortage of workforce. This would be an opportunity for India which could act as an alternative destination for foreign players to enter. In addition, this would aid investors to avoid the US-China trade issues thus reducing the supply chain disruptions. Furthermore, India being world's largest manufacturer of cotton and second largest manufacturer of polyester and viscose would further support the fabric manufacturing industry.
- Large, Potential Domestic and International Market.
- Product development and Diversification to cater global needs.
- Government Initiatives
- Increased Disposable Income and Purchasing Power of Indian Customer opens New Market Development.
- Revival post covid pandemic to aid global fabric manufacturing industry.

THREATS

- Raw Material Price fluctuations.
- Competition from other developing countries or other market players.
- International / National labor and environmental laws.
- Reduction in Government Support or changes in policies.
- Impact from, Change in Trend/Fashion of Indian Customers.
- Inflation in Indian economy and etc.

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.

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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.

OPERATIONAL PERFORMANCE

- The Company has recorded total revenue from operations during the Financial year 2021-22 of Rs. 12883.15 Lakh against the total revenue of Rs. 5986.84 Lakh in the previous financial year 2020-21.
- The Total expenses of the Company during the financial year 2021-22 is Rs.12320.81 Lakh against the expenses of Rs.5696.27 Lakh in the previous financial year 2020-21.
- The Profit after tax is Rs.457.31 Lakh for the financial year 2021-22 as compare to Rs.261.14 Lakh in the previous financial year 2020-21

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 grey 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)	
Revenue from operations	2021-22	2020-21
Grey Sales	10428.73	1886.50
Finish Fabric	936.83	2323.25
Yarn Sales	14.52	284.55
Sale of Service (Job Work)	1503.07	1492.54

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OUTLOOK

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025. (Source: ibef-India brand equity foundation)

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 **308**. 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:

Particular	31.03.2022	31.03.2021
Debtors Turnover	09.46	06.31
Inventory Turnover	04.23	02.12
Interest Coverage Ratio	01.27	03.87
Current Ratio	02.59	01.65
Debt Equity Ratio	01.22	01.11
Operating Profit Margin	10.74%	17.01 %
Net Profit Margin	03.55 %	04.36 %
Return on Net-worth	07.58%	06.90 %

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.

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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 2021-22 is as follows:

Sr. No.	Name	Designation	Remuneration for the year 2021-22 (In Rs.)	Remuneration for the year 2020-21 (In Rs.)	% increase in Remuneration	Ratio of remuneration of Director to the Median remuneration
1.	Mr. Mohammed Sabir Khan	Chairman & Managing Director	2400000	1725000	39.13	14.18 : 1
2.	Mrs. Samar Khan	Whole Time Director	2400000	1725000	39.13	14.18 : 1
3.	Mr. Nasir Khan	Whole Time Director	2400000	1680000	42.86	14.18 : 1
4.	Mrs. Annie Zuberi*	Independent Director	-	-	-	-
5.	Mrs. Amreen Sheikh*	Independent Director	-	-	-	-
6.	Mr. Ramesh Agarwal*	Independent Director	-	-	-	-

B. Percentage increase in remuneration of Chief Financial Officer and Company Secretary for the financial year 2021-22 is as follows:

Sr. No.	Name	Designation	% increase in Remuneration
1.	Mr. Prakash Chandra Jain	Chief Financial Officer	#
2.	Mr. Rahul Kumar Verma	Company Secretary	#

Notes-

1. The aforesaid details are calculated on the basis of remuneration paid during the financial year 2021-22.
2. Median remuneration of the Company for all the employees who were there in employment throughout the year (186 employees) is Rs.1,69,137/- for the financial year 2021-22.
3. * Mrs. Annie Zuberi, Mrs. Amreen Sheikh and Mr. Ramesh Agarwal was appointed as an Independent Directors w.e.f. 05.10.2021
4. # % of increase in remuneration is not given as Mr. Prakash Chandra Jain was appointed as CFO and Mr. Rahul Kumar Verma was appointed as CS w.e.f. 01.01.2021.
5. 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 2021-22: 10.11 %

D. Number of permanent employees on the rolls of the Company as on 31st March, 2022 : 308.

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.

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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	2400000	01/08/2014*	B.Com.	22	48	Contractual	-
2	Mr. Nasir Khan	Executive Director	2400000	01/12/2016*	10+2	05	24	Contractual	-
3	Mrs. Samar Khan	Executive Director	2400000	01/08/2014*	10+1	18	43	Contractual	-
4	Ms. Aliya Khan	General Manager	1200000	01/10/2018	B.Com.	03	22	Regular	-
5	Mr. Rishabh Kothari	Chief Engineer	800000	01/05/2021	B. Tech	12	33	Regular	Manomay Tex India Limited
6	Mr. Rajesh Kumar	General Manager - Production	586400	23/10/2012	10+2	26	42	Regular	Ostwal Denims Limited
7	Mrs. Geeta Devi	Designer	512000	01/09/2014	10+2	08	39	Regular	-
8	Mr. Markandey Chouhan	Forman	500436	23/10/2012	10+2	18	38	Regular	Partap Industries Limited
9	Mr. Mohammed Suhail	Purchase Manager	500000	01/06/2021	B.Com	04	38	Regular	-
10	Mr. Rahul Kumar Verma	Company Secretary	483500	01/01/2021	CS, M.Com., LL.M	05	30	Regular	Cyan Textile Private Limited

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.

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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
A: CONSERVATION OF ENERGY	The Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.	
Electricity		
a. Purchase Units (in Lakh)	115.13	82.46
Total Amount (in Lakh)	788.84	582.00
Rate/Unit (Amount in Rs)	06.85	7.05
b. Own Generation	-	-
Through Diesel generator		
Unit (In lakh)	-	-
Unit Per ltr. of diesel oil	-	-
Cost / Unit (Amount in Rs)	-	-
B. Consumption per unit of production		
(Product Synthetic, Cotton etc. Fabrics)		
Electricity unit/mtr.	00.74	00.78
B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION	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.	
C. FOREIGN EXCHANGE EARNINGS AND OUTGO.(in lakh)		
Foreign exchange earnings		-
Foreign exchange outgo	74.34	3.33

For and on behalf of the Board of Directors

Sd/-
Mohammed Sabir Khan
 Chairman and Managing Director
 Bhilwara, August 24, 2022

Annual Report 2021-22

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 31st March, 2022.

Place : Bhilwara
Date: August 24, 2022

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

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Independent Auditor's Report

To the Members of **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 2022, 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, 2022, 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.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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.

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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

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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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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

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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, 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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, 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 miss-statement.
 - vii. No dividend have been declared or paid during the year by the company.

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

Sd/-
[SUNIL KUMAR TOSHNIWAL]
PARTNER
M. NO.: - 078136
FRN: 008852C
UDIN:- 22078136AKBWEG1152
PLACE: BHILWARA
DATE:- 30.05.2022

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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 not having any kind of intangible assets so there is no requirement to maintain records.
- (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 of the Companies Act, 2013.
- (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.

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- (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, 2022 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) Based on our audit procedures and according to the information given by the management, money raised by way of initial public offer during the year was applied for the purposes for which those are raised.
- (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) 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
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties

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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;
- (b) The reports of the Internal Auditors for the period under audit were considered by us
- (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.
- (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 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (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.
- (d) According to the information and explanations given by the management, the Group does not have CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and 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 as at the balance sheet date when such liabilities are due in the future.
- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Hence this clause is not applicable on the company.
- (xxi) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

FOR: S.K. TOSHNIWAL & COMPANY
CHARTERED ACCOUNTANTS
FRN: 008852C
Sd/-
[SUNIL KUMAR TOSHNIWAL]
PARTNER
M. NO.: - 078136
FRN: 008852C
UDIN:- 22078136AKBWEG1152
PLACE: BHILWARA
DATE:- 30.05.2022

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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 conformity 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. FIXED ASSETS

- (A)** Fixed assets 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.
- (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 as per straight line method at the rates and in the manner prescribed under schedule II of the companies Act, 2013.

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- (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.

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DETAILS OF CONTINGENT LIABILITIES

A) Classification of Contingent liabilities:

- Claims against the company not acknowledged as debts	Nil
- Guarantees given in favor of company	1. Bank guarantee for EPCG license to the tune of Rs.20.74 Lacs
- 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	1330003495	25-07-2012	14.11	14.11	2.00	2.00	25-07-2022 *
2	1330005675	29-11-2017	296.62	296.62	27.03	27.03	29-11-2023 *
3	1331000267	31-03-2021	958.43	958.43	104.10	104.10	31-03-2027
4	1331000993	31-03-2021	84.77	84.77	6.87	6.87	31-03-2027
TOTAL			1,353.94	1,353.94	140.00	140.00	

*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 31.03.2022 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

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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

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Balance Sheet as at 31st March 2022

₹ in lakhs

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	720.01	223.03
Reserves and surplus	3	5,313.77	3,561.25
Money received against share warrants			
		6,033.78	3,784.28
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings	4	5,876.42	2,403.13
Deferred tax liabilities (Net)	5	29.33	73.60
Other long term liabilities	6		
Long-term provisions	7	68.31	
		5,974.06	2,476.73
Current liabilities			
Short-term borrowings	8	1,513.14	1,785.31
Trade payables	9		
(A) Micro enterprises and small enterprises			
(B) Others		254.91	920.71
Other current liabilities	10	163.12	107.84
Short-term provisions	7	197.04	64.65
		2,128.21	2,878.51
TOTAL		14,136.06	9,139.51
ASSETS			
Non-current assets			
Property, plant and equipment and intangible assets	12		
Property, plant and equipment		3,675.79	3,575.54
Intangible assets			
Capital work-in-progress		4,090.85	
Intangible assets under development			
Non-current investments		261.75	261.75
Deferred tax assets (net)	5		
Long-term loans and advances	14	50.03	35.96
Other non-current assets	15	542.71	520.88
		8,621.14	4,394.13
Current assets			
Current Investments			
Inventories	16	3,026.93	3,066.07
Trade Receivables	17	1,409.09	1,314.70
Cash And Cash Equivalents	18	210.39	4.89
Short-Term Loans And Advances	14	868.51	359.73
Other Current Assets			
		5,514.92	4,745.39
TOTAL		14,136.05	9,139.52
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	1		

See accompanying notes forming part of financial statement

As per our report of even date

For: S.K. Toshniwal & Company

Chartered Accountants

Sd/-

Sunil Kumar Toshniwal

Partner

M. NO.: 078136

UDIN: 22078136AKBWEG1152

Date: 30.05.2022

Place: Bhilwara

For & behalf of board of directors

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

Sd/-
Prakash C Jain
(Chief Financial Officer)
PAN: ACZPJ6386K

Sd/-
Nasir Khan
(Whole Time Director)
(DIN: 07775998)

Sd/-
Rahul K. Verma
(Company Secretary)
PAN: AQCPV6650M

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Statement of Profit and loss for the year ended 31st March 2022

₹ in lakhs

Particulars	Note No.	31st March 2022	31st March 2021
Revenue			
Revenue from operations	20	12,883.15	5,986.84
Less: Excise duty			
Net Sales		12,883.15	5,986.84
Other income	21	47.24	34.72
Total Income		12,930.39	6,021.56
Expenses			
Cost of material Consumed	22	8,838.52	1,615.10
Purchase of stock-in-trade	23	859.56	2,439.43
Changes in inventories	24	48.94	(230.93)
Employee benefit expenses	25	590.82	314.02
Finance costs	26	302.27	294.82
Depreciation and amortization expenses		471.63	398.35
Other expenses	27	1,209.08	865.47
Total expenses		12,320.81	5,696.27
Profit before exceptional, extraordinary and prior period items and tax		609.58	325.30
Exceptional items			
Profit before extraordinary and prior period items and tax		609.58	325.30
Extraordinary items			
Prior period item			
Profit before tax		609.58	325.30
Tax expenses			
Current tax		196.54	64.15
Deferred tax		(44.27)	
Excess/short provision relating earlier year tax			
Profit(Loss) for the period		457.31	261.14
Earning per share			
Basic	30		
Before extraordinary Items		6.35	11.71
After extraordinary Adjustment		6.35	11.71
Diluted			
Before extraordinary Items		6.35	11.71
After extraordinary Adjustment		6.35	11.71
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	31		

See accompanying notes forming part of financial statement

 As per our report of even date
 For: S.K. Toshniwal & Company
 Chartered Accountants

 Sd/-
 Sunil Kumar Toshniwal
 Partner
 M. NO.: 078136

 UDIN: 22078136AKBWEG1152
 Date: 30.05.2022
 Place: Bhilwara

For & behalf of board of directors

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

 Sd/-
 Prakash C Jain
 Chief Financial Officer)
 PAN: ACZPJ6386K

 Sd/-
 Nasir Khan
 (Whole Time Director)
 (DIN: 07775998)

 Sd/-
 Rahul K. Verma
 (Company Secretary)
 PAN: AQCPV6650M

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

₹ in lakhs

	PARTICULARS	31st March 2022	31st March 2021
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	609.58	325.29
	Adjustments for Non Cash/ Non trade items:		
	Depreciation & Amortization Expenses	471.63	398.35
	Finance Cost	302.27	294.82
	Interest received	(5.81)	(11.11)
	Other Inflows / (Outflows) of cash	1,363.52	444.38
	Operating profits before Working Capital Changes	2,741.19	1,451.73
	Adjusted For:		
	(Increase) / Decrease in trade receivables	(94.39)	(732.83)
	Increase / (Decrease) in trade payables	(665.80)	(28.69)
	(Increase) / Decrease in inventories	39.14	(494.41)
	Increase / (Decrease) in other current liabilities	(8.87)	282.16
	(Increase) / Decrease in Short Term Loans & Advances	(508.78)	85.39
	Cash generated from Operations	1,502.49	563.35
	Income Tax (Paid) / Refund		
	Net Cash flow from Operating Activities(A)	1,502.48	563.35
B.	Cash Flow From Investing Activities		
	Purchase of tangible assets	(4,662.73)	(240.96)
	Non- Current Investments / (Purchased) sold		100.00
	Interest Received	5.81	11.11
	Cash advances and loans made to other parties	(14.07)	(4.50)
	Cash advances and loans received back		0.08
	Other Inflow / (Outflows) of cash	(21.83)	(442.75)
	Net Cash used in Investing Activities(B)	(4,692.83)	(577.03)
C.	Cash Flow From Financing Activities		
	Finance Cost	(302.27)	(294.82)
	Increase in / (Repayment) of Short term Borrowings	(272.16)	(84.95)
	Increase in / (Repayment) of Long term borrowings	3,473.29	363.53
	Increase / (Decrease) in share capital	496.99	29.19
	Net Cash used in Financing Activities(C)	3,395.85	12.96
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	205.50	(0.71)
E.	Cash & Cash Equivalents at Beginning of period	4.89	5.60
F.	Cash & Cash Equivalents at End of period	210.39	4.89
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	205.50	(0.71)
H.	Difference (F-(D+E))		

See accompanying notes forming part of financial statement

 As per our report of even date
 For: S.K. Toshniwal & Company
 Chartered Accountants

For & behalf of board of directors

 Sd/-
 Sunil Kumar Toshniwal
 Partner
 M. NO.: 078136

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

 Sd/-
 Nasir Khan
 (Whole Time Director)
 (DIN: 07775998)

 UDIN: 22078136AKBWEG1152
 Date: 30.05.2022
 Place: Bhilwara

 Sd/-
 Prakash C Jain
 (Chief Financial Officer)
 PAN: ACZPJ6386K

 Sd/-
 Rahul K. Verma
 (Company Secretary)
 PAN: AQCPV6650M

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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 Financial statements for the year ended 31st March 2022

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 2022	As at 31st March 2021
Authorised :		
11500000 (31/03/2021:11500000) Equity shares of Rs. 10.00/- par value	1,150.00	1,150.00
Issued :		
7200130 (31/03/2021:2230265) Equity shares of Rs. 10.00/- par value	720.01	223.03
Subscribed and paid-up :		
7200130 (31/03/2021:2230265) Equity shares of Rs. 10.00/- par value	720.01	223.03
Total	720.01	223.03

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

Equity shares

₹ in lakhs

	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	22,30,265	223.03	19,38,345	193.83
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				
Outstanding at end of the period	72,00,130	720.01	22,30,265	223.03

Right, Preferences and Restriction attached to shares

Equity 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 2022		As at 31st March 2021	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	SAKINA TEXTILE PRIVATE LIMITED	7,55,460	10.49	3,77,730	16.94
Equity [NV: 10.00]	MOHAMMED SABIR KHAN	13,12,920	18.23	6,56,460	29.43
Equity [NV: 10.00]	DIVINE SUITING PRIVATE LIMITED	12,41,200	17.24	6,20,600	27.83
Equity [NV: 10.00]	GOMOTO TEXTILE PRIVATE LIMITED	9,03,700	12.55	4,51,850	20.26
Equity [NV: 10.00]	JAMUNA SYNTHETICS PRIVATE LIMITED	8,59,350	11.94		
	Total :	50,72,630	70.45	21,06,640	94.46

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Change in Promoter Share

		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	%	
MOHAMMAD SABIR	Equity [NV: 10.00]	656460.00	29.53	1312920.00	24.87	4.66	577490.00	29.90	656460.00	29.53	0.37
SAMAR KHAN	Equity [NV: 10.00]	92100.00	4.14	184200.00	3.49	0.65	92100.00	4.77	92100.00	4.14	0.63
SAKINA TEXTILE PRIVATE LIMITED	Equity [NV: 10.00]	377730	16.99	755460	14.31	2.68	377730	19.56	377730	16.99	2.57
DIVINE SUITINGS PRIVATE LIMITED	Equity [NV: 10.00]	620600	27.91	1241200	23.52	4.39	432000	22.37	620600	27.91	-5.54
ZAHIDA PARIHAR	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
SHABNAM KHAN	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
SHABANA AKHLAQUE MADNI	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
GOMOTO TEXTILE PRIVATE LIMITED	Equity [NV: 10.00]	451850	20.32	903700	17.12	3.20	427500	22.13	451850	20.32	1.81
JAMUNA SYNTHETICS PRIVATE LIMITED	Equity [NV: 10.00]	13875	0.62	859350	16.28	-15.66	13875	0.72	13875	0.62	0.10

Note No. 3 Reserves and surplus

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Surplus		
Opening Balance	1,146.17	885.03
Add: Profit for the year	457.31	261.14
Less : Deletion during the year		
Closing Balance	1,603.48	1,146.17
Securities premium		
Opening Balance	2,088.65	1,636.17
Add: Addition during the year	1,567.91	452.48
Less : Deletion during the year	264.61	
Closing Balance	3,391.95	2,088.65
Capital subsidy		
Opening Balance	326.44	334.54
Add: Addition during the year		
Less : Deletion during the year	8.10	8.10
Closing Balance	318.34	326.44
Balance carried to balance sheet	5,313.77	3,561.26

Note No. 4 Long-term borrowings

₹ in lakhs

Particulars	As at 31 st March 2022			As at 31 st March 2021		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan - From banks						
Term loan from bank and financial institutions secured	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35
	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35
Loans and advances from related parties						

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Loans directors Unsecured	421.65		421.65			
	421.65		421.65			
Other Loans and advances						
Loan from financial institution unsecured		7.45	7.45		24.58	24.58
Loan from corporates unsecured	121.55		121.55	328.97		328.97
	121.55	7.45	129.00	328.97	24.58	353.55
The Above Amount Includes						
Secured Borrowings	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35
Unsecured Borrowings	543.20	7.45	550.65	328.97	24.58	353.55
Amount Disclosed Under the Head "Other Current Liabilities"(Note No.)		(889.70)	(889.70)		(770.77)	(770.77)
Net Amount	5,876.42	0	5,876.42	2,403.13	0	2,403.13

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

₹ in lakhs

Particulars	As at 31 st March 2022			As at 31 st March 2021		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term loan from SBI-1					236.07	236.07
Term loan from SBI-2	84.64	126.00	210.64	211.27	112.00	323.27
GECL from BOB	155.94		155.94			
GECL from SBI	180.00		180.00			
Term loan_BOB_MP	1,400.50	92.00	1,492.50			
Term loan_SBI_MP	985.32	68.00	1,053.32			
Term loan Union Bank MP	1,220.86	84.00	1,304.86			
Term loan from BOB-1	890.19	240.00	1,130.19	1,133.37	210.00	1,343.37
Term loan from BOB-2	73.11	15.20	88.31	89.80	15.20	105.00
Vehicle loans	21.78	30.34	52.12	43.31	40.85	84.15
GECL from BOB	138.38	92.64	231.02	239.29	38.60	277.89
GECL from SBI	182.50	121.67	304.17	344.72	20.28	365.00
GECL from SBI		12.40	12.40	12.40	73.20	85.60
Total	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35

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

₹ in lakhs

Particulars	As at 31 st March 2022		
	Non-Current	Current Maturities	Total
From directors, shareholders and relatives		421.65	421.65
Total		421.65	421.65

Note No. 5 Deferred Tax

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Deferred tax liability		
Deferred tax liability other	29.33	73.60
Gross deferred tax liability	29.33	73.60
Net deferred tax liability	29.33	73.60

Note No. 7 Provisions

₹ in lakhs

Particulars	As at 31 st March 2022			As at 31 st March 2021		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Provision other employee related liabilities	68.31		68.31			
	68.31		68.31			
Other provisions						

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Provision for income tax		196.54	196.54		64.15	64.15
Provision for audit fees		0.50	0.50		0.50	0.50
		197.04	197.04		64.65	64.65
Total	68.31	197.04	265.36		64.65	64.65

Note No. 8 Short-term borrowings

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Loans Repayable on Demands - From banks		
Working capital loans banks secured	623.45	1,014.53
	623.45	1,014.53
Current maturities of long-term debt	889.70	770.77
	889.70	770.77

Note No. 9 Trade payables

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
(B) Others		
Sundry creditors	254.91	920.71
	254.91	920.71
Total	254.91	920.71

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	0.00			0.00
Others	254.91				254.91	920.71				920.71
Disputed Dues-MSME					0.00					0.00
Disputed- Others					0.00					0.00

Note No. 10 Other current liabilities

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Others payables		
Interest accrued but due on term loan	4.76	7.78
Salary and wages payable	54.30	40.15
TDS payable	27.34	10.17
TCS payable		1.95
Power bill payable	40.63	36.29
GST Payable	3.69	3.08
Bonus payable	12.12	8.42
Expenses payable	2.77	
GST Payable	17.51	
	163.12	107.84
Total	163.12	107.84

Note No. 12 Property, Plant and Equipment and Intangible assets as at 31st March 2022

₹ in lakhs

	Assets	Gross Block					Accumulated Depreciation/ Amortisation			Net Block		
		Balance as at 1st April 2021	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2022	Balance as at 31st March 2021
A	Tangible assets											
	Own Assets											
	Land	228.08	547.11			775.19					775.19	228.08
	Factory Building	665.70	3.71			669.41	134.12	21.39		155.50	513.90	531.58

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Office Equipment's	23.43	2.78			26.21	10.14	4.71		14.85	11.36	13.29
Vehicles	292.65	11.06			303.71	159.45	27.46		186.91	116.80	133.20
Plant and Machinery	5,218.76	0.75			5,219.51	2,949.91	363.14		3,313.05	1,906.46	2,268.85
Electric Installation	555.93				555.93	160.41	52.33		212.74	343.19	395.52
Furniture	4.48	1.25			5.73	1.52	0.52		2.03	3.70	2.97
Computer	11.13	5.23			16.36	9.09	2.09		11.18	5.18	2.04
Total (A)	7,000.17	571.88			7,572.05	3,424.63	471.63		3,896.26	3,675.79	3,575.54
P.Y Total	6,759.20	240.96			7,000.17	3,026.28	398.35		3,424.63	3,575.54	3,732.92
B Capital work in progress											
Building		865.04			865.04					865.04	
Plant and Machinery		3,106.65			3,106.65					3,106.65	
Electric Installation		119.16			119.16					119.16	
Total (B)		4,090.85			4,090.85					4,090.85	
Current Year Total (A + B)	7,000.17	4,662.73			11,662.90	3,424.63	471.63		3,896.26	7,766.64	3,575.54
Previous Year Total	6,759.20	240.96			7,000.17	3,026.28	398.35		3,424.63	3,575.54	3,732.92

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.

Revaluation Details

Current Year

Whether the Company has revalue its Property, Plant and Equipment **No**

Previous Year

Whether the Company has revalue its Property, Plant and Equipment **No**

If Yes, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered valuer and Valuation) Rules, 2017

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	865.04				865.04					0.00
Plant and Machinery	Plant and Machinery	Projects in progress	3106.65				3106.65					0.00
Electric Installation	Electrical Installations and Equipment	Projects in progress	119.16				119.16					0.00
		Total	4090.85	0.00	0.00	0.00	409085294.30	0.00	0.00	0.00	0.00	0.00

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Details of projects where activity has been suspended

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												
		Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Non-current investments

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Non-Trade Investment(Valued at cost unless stated otherwise)		
Other non-current investments (Unquoted)		
In Others		
Other investments long-term unquoted non-trade (Lower of cost and Market value)	261.75	261.75
Gross Investment	261.75	261.75
Net Investment	261.75	261.75
Aggregate amount of unquoted investments	261.75	261.75

Note No. 14 Loans and advances

₹ in lakhs

Particulars	As at 31 st March 2022		As at 31 st March 2021	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
TDS receivable		24.67		19.26
Tuff receivable		125.61		112.58
Prepaid expenses (Unsecured)		2.96		2.31
Fixed deposit with bank	50.03		35.96	
Other loans advances (Unsecured)		89.00		119.87
Rips subsidy receivable		35.04		81.82
Duties and taxes for GST		561.25		1.85
TCS		6.87		3.50
Interest accrued on AVVNL deposit		4.47		4.08
Loan to employees		18.63		14.45
	50.03	868.50	35.96	359.72
Total	50.03	868.50	35.96	359.72

Note No. 15 Other non-current assets

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Security Deposit	82.98	73.13
Other Assets		
Miscellaneous expenditure not written off		
Preoperative expenses	244.54	21.94
Advance for capital goods	215.19	425.81
Total	215.19	425.81
Total	542.71	520.88

Note No. 16 Inventories

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
(Valued at cost or NRV unless otherwise stated)		
Raw Material	272.30	206.05
WIP	1,256.95	1,413.19
Finished Goods	1,388.89	1,437.84
Stores and spares	9.12	9.00
Raw Material_MP	99.66	
Total	3,026.93	3,066.07

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Note No. 17 Trade receivables (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)	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						

Note No. 17 Trade 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)	1,309.43			0.27	5.00	1,314.70
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

Note No. 17 Trade receivables:1-2 years

₹ in lakhs

Particulars	As at 31 st March 2022
Unsecured, Considered Good, Undisputed	75.78
Total	75.78

Note No. 17 Trade receivables:2-3 years

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered Good, Undisputed		0.27
Total		0.27

Note No. 17 Trade receivables: More than 3 years

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Unsecured, Considered Good, Undisputed	5.27	5.00
Total	5.27	5.00

Note No. 18 Cash and cash equivalents

₹ in lakhs

Particulars	As at 31 st March 2022	As at 31 st March 2021
Balance with banks		
Other deposits with banks	208.32	2.16
Total	208.32	2.16
Cash in hand		
Cash in hand	2.07	2.72
Total	2.07	2.72
Total	210.39	4.89

Note No. 20 Revenue from operations

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Sale of products		
Finish fabrics	936.83	2,323.25
Grey sales	10,428.73	1,886.50
Yarn sale	14.52	284.55
	11,380.08	4,494.30

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Sale of services	1,503.07	1,492.54
Net revenue from operations	12,883.15	5,986.84

Note No. 21 Other income

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Interest Income		
Other interest income	5.81	11.11
	5.81	11.11
Other non-operating income		
Scrap sale	33.33	14.32
Insurance claim		1.19
Revenue recognition of capital subsidy	8.10	8.10
	41.43	23.61
Total	47.24	34.72

Note No. 22 Cost of material Consumed

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Inventory at the beginning		
Raw Material	1,619.24	1,357.81
	1,619.24	1,357.81
Add: Purchase		
Raw Material	8,848.20	1,876.52
	8,848.20	1,876.52
Less:-Inventory at the end		
Raw Material	1,628.91	1,619.24
	1,628.91	1,619.24
Total	8,838.53	1,615.09

Details of material consumed

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Raw Material		
Consumption of raw material	8,682.29	1,379.67
Consumption of WIP	156.24	235.42
	8,838.53	1,615.09
Total	8,838.53	1,615.09

Details of inventory

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Raw Material		
Consumption of raw material	272.30	206.05
Consumption of WIP	1,256.95	1,413.19
Consumption of dyes and chemical	99.66	
	1,628.91	1,619.24
Total	1,628.91	1,619.24

Details of purchase

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Raw Material		
Consumption of raw material	8,748.54	1,540.80
Consumption of WIP		335.72
Consumption of dyes and Chemical	99.66	
	8,848.20	1,876.52
Total	8,848.20	1,876.52

Note No. 22 Value of import and indigenous material consumed

₹ in lakhs

Particulars	Unit of Measurement	31 st March 2022		31 st March 2021	
		Value	Quantity	Value	Quantity
Raw Material					
Consumption of WIP	Mtrs.	156.24		235.42	

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Consumption of raw material	Kg	8,682.29	1,379.67
		8,838.53	1,615.09

₹ in lakhs

	31 st March 2022		31 st March 2021	
Particulars	Value	%to total Consumption	value	%to total Consumption
Raw Material				
Imported				
Indigenous	8,838.53	100.00	1,615.09	100.00
	8,838.53	100.00	1,615.09	100.00

Note No. 23 Purchase of stock-in-trade

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Finish fabrics	859.56	2,439.43
Total	859.56	2,439.43

Note No. 24 Changes in inventories

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Inventory at the end of the year		
Finished Goods	1,388.89	1,437.84
	1,388.89	1,437.84
Inventory at the beginning of the year		
Finished Goods	1,437.84	1,206.90
	1,437.84	1,206.90
(Increase)/decrease in inventories		
Finished Goods	48.94	(230.93)
	48.94	(230.93)

Note No. 25 Employee benefit expenses

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Salaries and Wages		
Salaries paid	126.31	116.89
Wages paid	356.44	175.20
Other Employee Related Expenses	1.64	
	484.39	292.09
Contribution to provident and other fund		
PF and ESI contribution	23.37	12.15
Gratuity	68.31	
	91.68	12.15
Staff welfare Expenses		
Staff Welfare Expenses	2.62	0.45
Bonus	12.12	9.33
	14.74	9.78
Total	590.81	314.02

Note No. 26 Finance costs

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Interest		
Interest on term loan	175.73	145.64
Interest paid to bank on cc limit	89.21	97.32
Interest on car loan	3.60	4.01
Interest on u/loan and others	13.38	30.77
Other interest charges	8.35	
Interest on truck loan	2.36	3.15
	292.63	280.89
Other Borrowing costs		
Bank charges	0.29	2.31

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Processing and stamping	9.36	11.61
	9.65	13.92
Total	302.28	294.81

Depreciation and amortization expenses

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Depreciation on tangible assets	471.63	398.35
Total	471.63	398.35

Note No. 27 Other expenses

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Audit fees	0.50	0.50
Administrative expenses	131.06	115.60
Selling and distribution expenses	16.61	11.54
Manufacturing service costs	1,060.91	737.82
Total	1,209.08	865.47

Note No. 27(a) Other expenses: Administrative expenses

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Government license fees	0.45	1.48
Legal and professional expenses	11.66	9.51
Insurance expenses	25.10	19.78
Rates and taxes	1.17	0.67
Telephone and postage expenses	0.22	0.39
Printing and stationery	2.66	2.28
Vehicle running expenses	2.63	8.82
Computer and printer expenses	2.82	1.02
Member	0.26	0.17
Office rent	5.85	0.90
Donations	0.04	1.56
Water expenses	2.17	0.39
Festival celebration expenses	1.87	1.36
Other Misc. expenses	1.95	0.67
Director remuneration	72.00	51.30
COVID 19 expenses		15.01
GST and other late fees	0.07	0.18
Stock audit expenses	0.15	0.12
Total	131.06	115.60

Note No. 27(b) Other expenses: Selling and distribution expenses

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Job and agency commission	14.31	8.97
Grading and packing expenses	0.85	1.05
Tour and travelling expenses	0.68	1.52
Advertising expenses	0.78	
Total	16.61	11.54

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

₹ in lakhs

Particulars	31 st March 2022	31 st March 2021
Stores and spares	71.29	74.17
Fire and fitting expenses		0.12
Electric expenses	4.99	5.13
Power and fuel	788.84	582.00
Oil and lubricant	15.68	7.88
Repairs and maintenance of other assets	8.61	5.89
Transport expenses	170.88	60.58
Factory expenses	0.04	0.30

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Job charges		1.55
Processing charges		0.21
Other manufacturing service cost	0.58	
Total	1,060.91	737.82

₹ in lakhs

Current tax		
Particulars	31st March 2022	31st March 2021
Current tax pertaining to current year	196.54	64.15
Total	196.54	64.15

₹ in lakhs

Deferred tax		
Particulars	31st March 2022	31st March 2021
Deferred tax	(44.27)	
Total	(44.27)	

Note No. 30 Earning Per Share

₹ in lakhs

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Basic				
Profit after tax (A)	457.31	261.14	457.31	261.14
Weighted average number of shares outstanding (B) (In Lacs)	72.00	22.30	72.00	22.30
Basic EPS (A / B)	6.35	11.71	6.35	11.71
Diluted				
Profit after tax (A)	457.31	261.14	457.31	261.14
Weighted average number of shares outstanding (B) (In Lacs)	72.00	22.30	72.00	22.30
Diluted EPS (A / B)	6.35	11.71	6.35	11.71
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

Particulars	2021-2022	2020-2021
Audit Fees	0.50	0.50
GST	0.09	0.09
Total	0.59	0.59

36. During the year company has opted to Pay Tax under Section 115BAA. MAT provisions will not be applicable on the company going forward by virtue of Section 115BAA.
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.

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38. Details of Managerial Remuneration:-

Particulars	2021-2022 (in Lacs)	2020-2021 (in Lacs)
Director Remuneration	72.00	51.30

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	MOHAMMAD SABIR SAMAR KHAN NASIR KHAN RAHUL KUMAR VERMA PRAKASH CHANDRA JAIN
2. Relatives of KMP	MOHAMMAD SUHAIL ALIM KHAN PARIHAR ZAHIDA PARIHAR SHABANA AKHLAK MADNI ALIYA KHAN MOHAMMED YAKUB SEEMA JAIN
3. Associate/ Sister Concern	DIVINE SUITING PRIVATE LIMITED SAKINA TEXTILES PRIVATE LIMITED CYAN TEXTILE PRIVATE LIMITED GOMOTO TEXTILE PVT. LTD. SWARAJ SULZ PVT. LTD. AHINSA BUSINESS VENTURE PRIVATE LIMITED SATYAMAN TEXPARK PRIVATE LIMITED JAMUNA SYNTHETICS PRIVATE LIMITED SHIVGANGA SUITING PRIVATE LIMITED

Transaction done with related parties for the year ending 31.03.2022

(Amount in Lacs)

Nature of transactions	Key Management Personnel			Relatives of Key Management Personnel			Associate Concern/ Sister Concern		
	2022	2021	O/S Balance as on 31.03.21	2022	2021	O/S Balance as on 31.03.22	2022	2021	O/S Balance as on 31.03.22
Salary	80.74	58.78	3.12	27.88	20.29	11.33	0.00	0.00	0.00
Interest on loans	0.00	0.00	0.00	0.00	0.00	0.00	0.38	2.56	0.00
Loan Taken	575.86	13.45	421.65	0.00	0.00	0.00	0.00	258.88	0.00

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Loan Repaid	154.21	17.31	0.00	0.00	0.00	0.00	2.10	258.89	0.00
Purchase	0.00	0.00	0.00	0.00	0.00	0.00	65.77	881.56	0.00
Sales	0.00	0.00	0.00	0.00	0.00	0.00	249.82	394.28	242.51
Share Sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.00	0.00
Job charges Received	0.00	0.00	0.00	0.00	0.00	0.00	64.22	0.00	2.70

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:-
1. Quarterly returns are submitted on timely basis.
 2. 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 is not covered under section 135 of the companies act; Hence Provisions of CSR are not applicable on companies.

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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 (21-22)	Ratio (20-21)
(a) Current Ratio (Times)	Current Assets	Current Liabilities	2.59	1.65
(b) Debt-Equity Ratio (Times)	Long Term Debt + Short Term Debt	Shareholder equity	1.22	1.11
(c) Debt Service Coverage Ratio (Times)	Earnings Before Interest, tax, Depreciation & Amortization	Total principal Payment + Interest on Borrowings	1.27	3.87
(d) Return on Equity Ratio (In %)	Earning After Interest, tax, Depreciation & Amortization	Average Shareholders Equity	9.32	7.64
(e) Inventory turnover ratio (Times)	Turnover	Average Inventory	4.23	2.12
(f) Trade Receivables turnover ratio (Times)	Net Credit Sales	Average Trade Receivable	9.46	6.31
(g) Trade payables turnover ratio (Times)	Net Credit Purchase	Average Trade Payable	16.52	4.26
(h) Net capital turnover ratio	Total Sales	Average Working Capital	3.80	3.21
(i) Net profit ratio (in %)	Net Profit	Net Sales	3.55	4.36
(j) Return on Capital employed (in %)	Earnings Before Interest & tax	Total Assets-Current Liabilities	6.54	7.52

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

- A) Current Ratio:** - Due to better working capital management current ratio has improved. Company is paying liabilities well in time and COVID loans are utilized properly to increase the current ratio.
- B) Debt Service Coverage Ratio:** - Company is bringing expansion project which increases the borrowings and due to COVID loan taken in previous year to mitigate the impact of COVID 19 there are high liabilities. Profitability of company also increased and DSCR is well in control.
- C) Inventory turnover ratio:** - Turnover in the current year has increased substantially due to better market condition and globally increased demand and higher realization with better inventory management, therefore inventory turnover ratio has improved.
- D) Trade Receivables turnover ratio:** - Higher turnover with improved cycle of realization from debtors in FY 2022 improved the Trade Receivables turnover ratio.
- E) Trade payables turnover ratio :-** Rotation of Fund improved in FY 2022 and payments to Raw materials on immediate basis has helped to lower the payables. therefor trade payable turnover ratio has increased.

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Independent Auditor's Report

To the Members of **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, 2022, 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, 2022, 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

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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.

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- 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 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, 2022 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, 2022 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

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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 its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, 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 mis-statement.
- No dividend have been declared or paid during the year by the company.

FOR: S.K. TOSHNIWAL & COMPANY

CHARTERED ACCOUNTANTS

FRN: 008852C

Sd/-

[SUNIL KUMAR TOSHNIWAL]

PARTNER

M. NO.: - 078136

UDIN:-22078136AKBWV07736

PLACE: BHILWARA

DATE: 30.05.2022

FRN: 008852C

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF SWARAJ SUITING LIMITED

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, 2022, we have audited the internal financial controls over financial reporting of SWARAJ SUITING PRIVATE 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

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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, 2022, 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.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF SWARAJ SUITING LIMITED

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

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

Sd/-
[SUNIL KUMAR TOSHNIWAL]
PARTNER
M. NO.: - 078136
UDIN:- 22078136AKBWV07736
PLACE: BHILWARA
DATE: 30.05.2022
FRN: 008852C

Annual Report 2021-22

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 notified 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 consolidated 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

Sd/-
[SUNIL KUMAR TOSHNIWAL]
PARTNER
M. NO.: - 078136
UDIN:- 22078136AKBWV07736
PLACE: BHILWARA
DATE:30.05.2022
FRN: 008852C

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Consolidated Balance Sheet as at 31st March 2022

₹ in lakhs

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	720.01	223.03
Reserves and surplus	3	5356.13	3593.45
Money received against share warrants			
		6076.14	3816.48
Share application money pending allotment			
Non-current liabilities			
Long-term borrowings	4	5,876.42	2,403.13
Deferred tax liabilities (Net)	5	29.33	73.60
Other long term liabilities	6		
Long-term provisions	7	68.31	
		5,974.06	2,476.73
Current liabilities			
Short-term borrowings	8	1,513.14	1,785.31
Trade payables	9		
(A) Micro enterprises and small enterprises			
(B) Others		254.91	920.71
Other current liabilities	10	163.12	107.84
Short-term provisions	7	197.04	64.65
		2,128.21	2,878.51
TOTAL		14178.42	9171.71
ASSETS			
Non-current assets			
Property, Plant and Equipment and Intangible assets	12		
Property, Plant and Equipment		3,675.79	3,575.54
Intangible assets			
Capital work-in-Progress		4,090.85	
Intangible assets under development			
Non-current investments		304.12	293.95
Deferred tax assets (net)	5		
Long-term loans and advances	14	50.03	35.96
Other non-current assets	15	542.71	520.88
		8663.50	4426.32
Current assets			
Current investments			
Inventories	16	3,026.93	3,066.07
Trade receivables	17	1,409.09	1,314.70
Cash and cash equivalents	18	210.39	4.89
Short-term loans and advances	14	868.51	359.73
Other current assets			
		5,514.92	4,745.39
TOTAL		14178.42	9171.71
Difference			

See accompanying notes forming part of financial statement

As per our report of even date

For: S.K. Toshniwal & Company

Chartered Accountants

Sd/-

Sunil Kumar Toshniwal

Partner

M. NO.: 078136

UDIN: 22078136AKBWVO7736

Date: 30.05.2022

Place: Bhilwara

For & behalf of board of directors

Sd/-

Mohammed Sabir Khan

(Managing Director)

(DIN: 00561917)

Sd/-

Prakash C Jain

(Chief Financial Officer)

PAN: ACZPJ6386K

Sd/-

Nasir Khan

(Whole Time Director)

(DIN: 07775998)

Sd/-

Rahul K. Verma

(Company Secretary)

PAN: AQCPV6650M

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Consolidated Statement of Profit and loss for the year ended 31st March 2022

₹ in lakhs

Particulars	Note No.	31st March 2022	31st March 2021
Revenue			
Revenue from operations	20	12,883.15	5,986.84
Less: Excise duty			
Net Sales		12,883.15	5,986.84
Other income	21	47.24	34.72
Total Income		12,930.39	6,021.56
Expenses			
Cost of material Consumed	22	8,838.52	1,615.10
Purchase of stock-in-trade	23	859.56	2,439.43
Changes in inventories	24	48.94	(230.93)
Employee benefit expenses	25	590.82	314.02
Finance costs	26	302.27	294.82
Depreciation and amortization expenses		471.63	398.35
Other expenses	27	1,209.08	865.47
Total expenses		12,320.81	5,696.27
Profit before exceptional, extraordinary and prior period items and tax		609.58	325.30
Exceptional items			
Profit before extraordinary and prior period items and tax		609.58	325.30
Extraordinary items			
Prior period item			
Profit before tax		609.58	325.30
Tax expenses			
Current tax		196.54	64.15
Deferred tax		(44.27)	
Excess/short provision relating earlier year tax			
Profit(Loss) for the period		457.31	261.14
Earnings per share			
Basic	30		
Before extraordinary Items		6.35	11.71
After extraordinary Adjustment		6.35	11.71
Diluted			
Before extraordinary Items		6.35	11.71
After extraordinary Adjustment		6.35	11.71
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS	31		

See accompanying notes forming part of financial statement
 As per our report of even date
 For: S.K. Toshniwal & Company
 Chartered Accountants

For & behalf of board of directors

Sd/-
 Sunil Kumar Toshniwal
 Partner
 M. NO.: 078136

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

Sd/-
 Nasir Khan
 (Whole Time Director)
 (DIN: 07775998)

UDIN: 22078136AKBWVO7736
 Date: 30.05.2022
 Place: Bhilwara

Sd/-
 Prakash C Jain
 (Chief Financial Officer)
 PAN: ACZPJ6386K

Sd/-
 Rahul K. Verma
 (Company Secretary)
 PAN: AQCPV6650M

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CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

₹ in lakhs

	PARTICULARS	31st March 2022	31st March 2021
A.	Cash Flow From Operating Activities		
	Net Profit before tax and extraordinary items(as per Statement of Profit and Loss)	609.58	325.30
	Adjustments for non-Cash/ Non trade items:		
	Depreciation & Amortization Expenses	471.63	398.35
	Finance Cost	302.27	294.82
	Interest received	(5.81)	(11.11)
	Other Inflows / (Outflows) of cash	1,363.52	444.38
	Operating profits before Working Capital Changes	2,741.18	1,451.73
	Adjusted For:		
	(Increase) / Decrease in trade receivables	(94.39)	(732.83)
	Increase / (Decrease) in trade payables	(665.80)	(28.69)
	(Increase) / Decrease in inventories	39.14	(494.41)
	Increase / (Decrease) in other current liabilities	(8.87)	282.16
	(Increase) / Decrease in Short Term Loans & Advances	(508.78)	85.39
	Cash generated from Operations	1,502.48	563.36
	Income Tax (Paid) / Refund		
	Net Cash flow from Operating Activities(A)	1,502.48	563.36
B.	Cash Flow From Investing Activities		
	Purchase of tangible assets	(4,662.73)	(240.96)
	Non Current Investments / (Purchased) sold		100.00
	Interest Received	5.81	11.11
	Cash advances and loans made to other parties	(14.07)	(4.50)
	Cash advances and loans received back		0.08
	Other Inflow / (Outflows) of cash	(21.83)	(442.75)
	Net Cash used in Investing Activities(B)	(4,692.83)	(577.03)
C.	Cash Flow From Financing Activities		
	Finance Cost	(302.27)	(294.82)
	Increase in / (Repayment) of Short term Borrowings	(272.16)	(84.95)
	Increase in / (Repayment) of Long term borrowings	3,473.29	363.53
	Increase / (Decrease) in share capital	496.99	29.19
	Net Cash used in Financing Activities(C)	3,395.85	12.96
D.	Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C)	205.50	(0.71)
E.	Cash & Cash Equivalents at Beginning of period	4.89	5.60
F.	Cash & Cash Equivalents at End of period	210.39	4.89
G.	Net Increase / (Decrease) in Cash & Cash Equivalents(F-E)	205.50	(0.71)
H.	Difference (F-(D+E))		

See accompanying notes forming part of financial statement
 As per our report of even date
 For: S.K. Toshniwal & Company
 Chartered Accountants

For & behalf of board of directors

Sd/-
 Sunil Kumar Toshniwal
 Partner
 M. NO.: 078136

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

Sd/-
 Nasir Khan
 (Whole Time Director)
 (DIN: 07775998)

UDIN: 22078136AKBWVO7736
 Date: 30.05.2022
 Place: Bhilwara

Sd/-
 Prakash C Jain
 (Chief Financial Officer)
 PAN: ACZPJ6386K

Sd/-
 Rahul K. Verma
 (Company Secretary)
 PAN: AQCPV6650M

Annual Report 2021-22

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 2022

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 2022	As at 31st March 2021
Authorised :		
11500000 (31/03/2021:11500000) Equity shares of Rs. 10.00/- par value	1,150.00	1,150.00
Issued :		
7200130 (31/03/2021:2230265) Equity shares of Rs. 10.00/- par value	720.01	223.03
Subscribed and paid-up :		
7200130 (31/03/2021:2230265) Equity shares of Rs. 10.00/- par value	720.01	223.03
Total	720.01	223.03

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

Equity shares

₹ in lakhs

	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	22,30,265	223.03	19,38,345	193.83
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				
Outstanding at end of the period	72,00,130	720.01	22,30,265	223.03

Right, Preferences and Restriction attached to shares

Equity 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 2022		As at 31st March 2021	
		No. of Shares	% of Holding	No. of Shares	% of Holding
Equity [NV: 10.00]	Sakina Textile private limited	7,55,460	10.49	3,77,730	16.94
Equity [NV: 10.00]	Mohammad Sabir	13,12,920	18.23	6,56,460	29.43
Equity [NV: 10.00]	Divine Suitings Private Limited	12,41,200	17.24	6,20,600	27.83
Equity [NV: 10.00]	Gomoto Textile Private Limited	9,03,700	12.55	4,51,850	20.26
Equity [NV: 10.00]	Jamuna Synthetics Private Limited	8,59,350	11.94		
	Total :	50,72,630	70.45	21,06,640	94.46

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Change in Promoter Share

		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	%	
MOHAMMAD SABIR	Equity [NV: 10.00]	656460.00	29.53	1312920.00	24.87	4.66	577490.00	29.90	656460.00	29.53	0.37
SAMAR KHAN	Equity [NV: 10.00]	92100.00	4.14	184200.00	3.49	0.65	92100.00	4.77	92100.00	4.14	0.63
SAKINA TEXTILE PRIVATE LIMITED	Equity [NV: 10.00]	377730	16.99	755460	14.31	2.68	377730	19.56	377730	16.99	2.57
DIVINE SUITINGS PRIVATE LIMITED	Equity [NV: 10.00]	620600	27.91	1241200	23.52	4.39	432000	22.37	620600	27.91	-5.54
ZAHIDA PARIHAR	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
SHABNAM KHAN	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
SHABANA AKHLAQUE MADNI	Equity [NV: 10.00]	3550	0.16	7100	0.13	0.03	3550	0.18	3550	0.16	0.02
GOMOTO TEXTILE PRIVATE LIMITED	Equity [NV: 10.00]	451850	20.32	903700	17.12	3.20	427500	22.13	451850	20.32	1.81
JAMUNA SYNTHETICS PRIVATE LIMITED	Equity [NV: 10.00]	13875	0.62	859350	16.28	-15.66	13875	0.72	13875	0.62	0.10

Note No. 3 Consolidated Reserves and surplus

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Reserve and Surplus		
Opening Balance	1178.36	908.62
Add: Profit for the year	457.31	261.14
Add:- Profit of Associate	10.17	8.60
Less : Deletion during the year		
Closing Balance	1645.84	1178.37
Securities premium		
Opening Balance	2,088.65	1,636.17
Add: Addition during the year	1,567.91	452.48
Less : Deletion during the year	264.61	
Closing Balance	3,391.95	2,088.65
Capital subsidy		
Opening Balance	326.44	334.54
Add: Addition during the year		
Less : Deletion during the year	8.10	8.10
Closing Balance	318.34	326.44
Balance carried to balance sheet	5356.13	3,561.26

Note No. 4 Long-term borrowings

₹ in lakhs

Particulars	As at 31st March 2022			As at 31st March 2021		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term Loan - From banks						
Term loan from bank and financial institutions secured	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35
	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35

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Loans and advances from related parties						
Loans directors Unsecured	421.65		421.65			
	421.65		421.65			
Other Loans and advances						
Loan from financial institution unsecured		7.45	7.45		24.58	24.58
Loan from corporates unsecured	121.55		121.55	328.97		328.97
	121.55	7.45	129.00	328.97	24.58	353.55
The Above Amount Includes						
Secured Borrowings	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35
Unsecured Borrowings	543.20	7.45	550.65	328.97	24.58	353.55
Amount Disclosed Under the Head "Other Current Liabilities"(Note No.)		(889.70)	(889.70)		(770.77)	(770.77)
Net Amount	5,876.42	0	5,876.42	2,403.13	0	2,403.13

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

[Repayable in 32 quarterly installments commencing on 15.06.2013 and ending on 15.03.2021 with first four installments of Rs.27.50 Lacs each, next four installments of Rs.32.50 Lacs each, next four installments of Rs.40.00 Lacs each, next four installments of Rs.47.50 Lacs each, next four installments of Rs.52.50 Lacs each, next four installments of Rs.57.50 Lacs each, next four installments of Rs.67.50 Lacs each & last four installments of Rs.75.00 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-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

3) Term Loan-I 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

4) Term Loan-II 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

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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

5) Vehicle Loans

[Secured by the hypothecation of vehicle]

6) 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)

7) 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)

8) CCECL from State Bank of India

(6 Months Moratorium, 17 monthly installments of 610000/- and last installment of 630000, repayment beginning in December 2020)

[Extension of Charge on companies' Fixed and Current assets and further secured by personal guarantee of directors]

9) GECL from Bank of Baroda

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

10) GECL from State Bank of India

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

11) Term Loan-II 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 Guarrantee 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 2022			As at 31st March 2021		
	Non-Current	Current Maturities	Total	Non-Current	Current Maturities	Total
Term loan from SBI-1					236.07	236.07
Term loan from SBI-2	84.64	126.00	210.64	211.27	112.00	323.27
GECL from BOB	155.94		155.94			
GECL from SBI	180.00		180.00			
Term loan_BOB_MP	1,400.50	92.00	1,492.50			
Term loan_SBI_MP	985.32	68.00	1,053.32			
Term loan Union Bank MP	1,220.86	84.00	1,304.86			
Term loan from BOB-1	890.19	240.00	1,130.19	1,133.37	210.00	1,343.37
Term loan from BOB-2	73.11	15.20	88.31	89.80	15.20	105.00
Vehicle loans	21.78	30.34	52.12	43.31	40.85	84.15
GECL from BOB	138.38	92.64	231.02	239.29	38.60	277.89
GECL from SBI	182.50	121.67	304.17	344.72	20.28	365.00
GECL from SBI		12.40	12.40	12.40	73.20	85.60
Total	5,333.22	882.25	6,215.47	2,074.15	746.20	2,820.35

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

₹ in lakhs

Particulars	As at 31st March 2022		
	Non-Current	Current Maturities	Total
From Directors, Shareholders and Relatives	421.65		421.65
Total	421.65		421.65

Note No. 5 Deferred Tax

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Deferred tax liability		
Deferred tax liability other	29.33	73.60
Gross deferred tax liability	29.33	73.60
Net deferred tax liability	29.33	73.60

Note No. 7 Provisions

₹ in lakhs

Particulars	As at 31st March 2022			As at 31st March 2021		
	Long-term	Short-term	Total	Long-term	Short-term	Total
Provision for employee benefit						
Provision other employee related liabilities	68.31		68.31			
	68.31		68.31			
Other provisions						
Provision for income tax		196.54	196.54		64.15	64.15
Provision for audit fees		0.50	0.50		0.50	0.50
		197.04	197.04		64.65	64.65
Total	68.31	197.04	265.36		64.65	64.65

Note No. 8 Short-term borrowings

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Loans Repayable on Demands - From banks		
Working capital loans banks secured	623.45	1,014.53
	623.45	1,014.53
Current maturities of long-term debt	889.70	770.77
	889.70	770.77

Note No. 9 Trade payables

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
(B) Others		
Sundry creditors	254.91	920.71
	254.91	920.71
Total	254.91	920.71

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	0.00			0.00
Others	254.91				254.91	920.71				920.71
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 2022	As at 31st March 2021
Others payables		
Interest accrued but due on term loan	4.76	7.78
Salary and wages payable	54.30	40.15
TDS payable	27.34	10.17

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TCS payable		1.95
Power bill payable	40.63	36.29
PF/ESI payable	3.69	3.08
Bonus payable	12.12	8.42
Expenses payable	2.77	
GST payable	17.51	
	163.12	107.84
Total	163.12	107.84

Note No. 12 Property, Plant and Equipment and Intangible assets as at 31st March 2022

₹ in lakhs

	Assets	Gross Block				Accumulated Depreciation/ Amortisation				Net Block	
		Balance as at 1st April 2021	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2022	Balance as at 1st April 2021	Provided during the year	Deletion / adjustments during the year	Balance as at 31st March 2022	Balance as at 31st March 2021
A	Tangible assets										
	Own Assets										
	Land	228.08	547.11			775.19				775.19	228.08
	Factory Building	665.70	3.71			669.41	134.12	21.39		155.50	531.58
	Office Equipments	23.43	2.78			26.21	10.14	4.71		14.85	13.29
	Vehicles	292.65	11.06			303.71	159.45	27.46		186.91	133.20
	Plant and Machinery	5,218.76	0.75			5,219.51	2,949.91	363.14		3,313.05	2,268.85
	Electric Installation	555.93				555.93	160.41	52.33		212.74	395.52
	Furniture	4.48	1.25			5.73	1.52	0.52		2.03	2.97
	Computer	11.13	5.23			16.36	9.09	2.09		11.18	2.04
	Total (A)	7,000.17	571.88			7,572.05	3,424.63	471.63		3,896.26	3,575.54
	P.Y Total	6,759.20	240.96			7,000.17	3,026.28	398.35		3,424.63	3,575.54
B	Capital work in progress										
	Building		865.04			865.04				865.04	
	Plant and Machinery		3,106.65			3,106.65				3,106.65	
	Electric Installation		119.16			119.16				119.16	
	Total (B)		4,090.85			4,090.85				4,090.85	
	Current Year Total (A + B)	7,000.17	4,662.73			11,662.90	3,424.63	471.63		3,896.26	3,575.54
	Previous Year Total	6,759.20	240.96			7,000.17	3,026.28	398.35		3,424.63	3,575.54

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.

Revaluation Details

Current Year

Whether the Company has revalued its Property, Plant and Equipment

No

Previous Year

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Whether the Company has revalued its Property, Plant and Equipment	No
--	----

CWIP aging schedule

			(In Lacs)									
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	865.04				865.04					0.00
Plant and Machinery	Plant and Machinery	Projects in progress	3106.65				3106.65					0.00
Electric Installation	Electrical Installations and Equipment	Projects in progress	119.16				119.16					0.00
		Total	4090.85	0.00	0.00	0.00	4090.85	0.00	0.00	0.00	0.00	0.00

Details of projects where activity has been suspended

			Current Year					Previous Year				
Assets Name	Group	CWIP	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												
		Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Non-current investments

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Non-Trade Investment(Valued at cost unless stated otherwise)		
Other non-current investments (Unquoted)		
In Others		
Other investments long-term unquoted non-trade (Lower of cost and Market value)	304.12	293.95
Gross Investment	304.12	293.95
Net Investment	304.12	293.95
Aggregate amount of unquoted investments	304.12	293.95

Note No. 14 Loans and advances

₹ in lakhs

Particulars	As at 31st March 2022		As at 31st March 2021	
	Long-term	Short-term	Long-term	Short-term
Other loans and advances				
TDS receivable		24.67		19.26
TUFF receivable		125.61		112.58
Prepaid expenses (unsecured)		2.96		2.31
Fixed deposit with bank	50.03		35.96	
Other loans advances (unsecured)		89.00		119.87
Rips subsidy receivable		35.04		81.82
GST receivable		561.25		1.85
TCS receivable		6.87		3.50
Interest accrued on AVVNL deposit		4.47		4.08
Loan to employees		18.63		14.45
	50.03	868.50	35.96	359.72
Total	50.03	868.50	35.96	359.72

Note No. 15 Other non-current assets

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposit	82.98	73.13

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Other Assets		
Miscellaneous expenditure not written off		
Preoperative expenses	244.54	21.94
Advance for capital goods	215.19	425.81
Total	215.19	425.81
Total	542.71	520.88

Note No. 16 Inventories

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
(Valued at cost or NRV unless otherwise stated)		
Raw Material	272.30	206.05
WIP	1,256.95	1,413.19
Finished Goods	1,388.89	1,437.84
Stores and spares	9.12	9.00
Raw material(Dyes and Chemical)	99.66	
Total	3,026.93	3,066.07

Note No. 17 Trade receivables (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)	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						

Note No. 17 Trade 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)	1,309.43			0.27	5.00	1,314.70
(ii) Undisputed Trade Receivables (considered doubtful)						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

Note No. 17 Trade receivables:1-2 years

₹ in lakhs

Particulars	As at 31st March 2022
Unsecured, Considered Good, Undisputed	75.78
Total	75.78

Note No. 17 Trade receivables:2-3 years

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured, Considered Good, Undisputed		0.27
Total		0.27

Note No. 17 Trade receivables: More than 3 years

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured, Considered Good, Undisputed	5.27	5.00
Total	5.27	5.00

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Note No. 18 Cash and cash equivalents

₹ in lakhs

Particulars	As at 31st March 2022	As at 31st March 2021
Balance with banks		
Other deposits with banks	208.32	2.16
Total	208.32	2.16
Cash in hand		
Cash in hand	2.07	2.72
Total	2.07	2.72
Total	210.39	4.89

Note No. 20 Revenue from operations

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Sale of products		
Finish fabrics	936.83	2,323.25
Grey sales	10,428.73	1,886.50
Yarn sale	14.52	284.55
	11,380.08	4,494.30
Sale of services	1,503.07	1,492.54
Net revenue from operations	12,883.15	5,986.84

Note No. 21 Other income

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Interest Income		
Other interest income	5.81	11.11
	5.81	11.11
Other non-operating income		
Scrap sale	33.33	14.32
Insurance claim		1.19
Revenue recognition of capital subsidy	8.10	8.10
	41.43	23.61
Total	47.24	34.72

Note No. 22 Cost of material Consumed

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Inventory at the beginning		
Raw Material	1,619.24	1,357.81
	1,619.24	1,357.81
Add: Purchase		
Raw Material	8,848.20	1,876.52
	8,848.20	1,876.52
Less:-Inventory at the end		
Raw Material	1,628.91	1,619.24
	1,628.91	1,619.24
Total	8,838.53	1,615.09

Details of material consumed

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Raw Material		
Consumption of raw material	8,682.29	1,379.67
Consumption of WIP	156.24	235.42
	8,838.53	1,615.09
Total	8,838.53	1,615.09

Details of inventory

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Raw Material		
Consumption of raw material	272.30	206.05
Consumption of WIP	1,256.95	1,413.19
Consumption of dyes and chemical	99.66	

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	1,628.91	1,619.24
Total	1,628.91	1,619.24

Details of purchase

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Raw Material		
Consumption of raw material	8,748.54	1,540.80
Consumption of WIP		335.72
Consumption of dyes and chemical	99.66	
	8,848.20	1,876.52
Total	8,848.20	1,876.52

Note No. 22 Value of import and indigenous material consumed

₹ in lakhs

Particulars	Unit of Measurement	31st March 2022		31st March 2021	
		Value	Quantity	Value	Quantity
Raw Material					
Consumption of WIP	Mtrs.	156.24		235.42	
Consumption of raw material	Kg	8,682.29		1,379.67	
		8,838.53		1,615.09	

Note No. 23 Purchase of stock-in-trade

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Finish fabrics	859.56	2,439.43
Total	859.56	2,439.43

Note No. 24 Changes in inventories

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Inventory at the end of the year		
Finished Goods	1,388.89	1,437.84
	1,388.89	1,437.84
Inventory at the beginning of the year		
Finished Goods	1,437.84	1,206.90
	1,437.84	1,206.90
(Increase)/decrease in inventories		
Finished Goods	48.94	(230.93)
	48.94	(230.93)

Note No. 25 Employee benefit expenses

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Salaries and Wages		
Salaries paid	126.31	116.89
Wages paid	356.44	175.20
Other Employee Related Expenses	1.64	
	484.39	292.09
Contribution to provident and other fund		
PF and ESI contribution	23.37	12.15
Gratuity	68.31	
	91.68	12.15
Staff welfare Expenses		
Staff Welfare Expenses	2.62	0.45
Bonus	12.12	9.33
	14.74	9.78
Total	590.81	314.02

Note No. 26 Finance costs

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Interest		
Interest on term loan	175.73	145.64
Interest paid to bank on cc limit	89.21	97.32

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Interest on car loan	3.60	4.01
Interest on u/loan and others	13.38	30.77
Other interest charges	8.35	
Interest on truck loan	2.36	3.15
	292.63	280.89
Other Borrowing costs		
Bank charges	0.29	2.31
Processing and stamping	9.36	11.61
	9.65	13.92
Total	302.28	294.81

Depreciation and amortization expenses

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Depreciation on tangible assets	471.63	398.35
Total	471.63	398.35

Note No. 27 Other expenses

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Audit fees	0.50	0.50
Administrative expenses	131.06	115.60
Selling and distribution expenses	16.61	11.54
Manufacturing service costs	1,060.91	737.82
Total	1,209.08	865.47

Note No. 27(a) Other expenses: Administrative expenses

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Government license fees	0.45	1.48
Legal and professional expenses	11.66	9.51
Insurance expenses	25.10	19.78
Rates and taxes	1.17	0.67
Telephone and postage expenses	0.22	0.39
Printing and stationery	2.66	2.28
Vehicle running expenses	2.63	8.82
Computer and printer expenses	2.82	1.02
Member	0.26	0.17
Office rent	5.85	0.90
Donations	0.04	1.56
Water expenses	2.17	0.39
Festival celebration expenses	1.87	1.36
Other Misc. expenses	1.95	0.67
Director remuneration	72.00	51.30
COVID 19 expenses		15.01
GST and other late fees	0.07	0.18
Stock audit expenses	0.15	0.12
Total	131.06	115.60

Note No. 27(b) Other expenses: Selling and distribution expenses

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Job and agency commission	14.31	8.97
Grading and packing expenses	0.85	1.05
Tour and travelling expenses	0.68	1.52
Advertising expenses	0.78	
Total	16.61	11.54

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

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Stores and spares	71.29	74.17
Fire and fitting expenses		0.12
Electric expenses	4.99	5.13

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Power and fuel	788.84	582.00
Oil and lubricant	15.68	7.88
Repairs and maintenance of other assets	8.61	5.89
Transport expenses	170.88	60.58
Factory expenses	0.04	0.30
Job charges		1.55
Processing charges		0.21
Other manufacturing service cost	0.58	
Total	1,060.91	737.82

Current tax

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Current tax pertaining to current year	196.54	64.15
Total	196.54	64.15

Deferred tax

₹ in lakhs

Particulars	31st March 2022	31st March 2021
Deferred tax	(44.27)	
Total	(44.27)	

Note No. 30 Earning Per Share

₹ in lakhs

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Basic				
Profit after tax (A)	457.31	261.14	457.31	261.14
Weighted average number of shares outstanding (B) (In Lacs)	72.00	22.30	72.00	22.30
Basic EPS (A / B)	6.35	11.71	6.35	11.71
Diluted				
Profit after tax (A)	457.31	261.14	457.31	261.14
Weighted average number of shares outstanding (B) (In Lacs)	72.00	22.30	72.00	22.30
Diluted EPS (A / B)	6.35	11.71	6.35	11.71
Face value per share	10.00	10.00	10.00	10.00

SWARAJ SUITING LIMITED

(CIN : L18101RJ2003PLC018359)

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