

**INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT**

[Where the data of the Return of Income in Form ITR-1 (SAHAJ), ITR-2, ITR-2A, ITR-3, ITR-4S (SUGAM), ITR-4, ITR-5, ITR-6, ITR-7 transmitted electronically with digital signature]

Assessment Year

**2015-16**

PERSONAL INFORMATION AND THE DATE OF ELECTRONIC TRANSMISSION	Name SWAGAT SYNTHETICS PRIVATE LIMITED			PAN AABCS9860L		
	Flat/Door/Block No 48, MAIN SECTOR	Name Of Premises/Building/Village		Form No. which has been electronically transmitted ITR-6		
	Road/Street/Post Office	Area/Locality SHASTRI NAGAR				
	Town/City/District BHILWARA	State RAJASTHAN	Pin 311001	Status Pvt Company	Aadhaar Number	
	Designation of AO(Ward/Circle) ACIT CIR, BHL			Original or Revised ORIGINAL		
	E-filing Acknowledgement Number 777141351050915			Date(DD/MM/YYYY) 05-09-2015		
	1	Gross total income			1	0
	2	Deductions under Chapter-VI-A			2	0
	3	Total Income			3	0
	3a	Current Year loss, if any			3a	127245667
4	Net tax payable			4	3782141	
5	Interest payable			5	0	
6	Total tax and interest payable			6	3782141	
COMPUTATION OF INCOME AND TAX THEREON	7	Taxes Paid	a Advance Tax	7a	0	
			b TDS	7b	1076227	
			c TCS	7c	6875010	
			d Self Assessment Tax	7d	0	
			e Total Taxes Paid (7a+7b+7c +7d)		7e	
	8	Tax Payable (6-7e)			8	0
	9	Refund (7e-6)			9	4169100
	10	Exempt Income	Agriculture		10	
			Others			

This return has been digitally signed by ANIL KUMAR NUWALin the capacity of Directorhaving PAN AA VPN4375L from IP Address 117.220.10.224 on 05-09-2015 at BhilwaraDsc SI No & issuer 1929356544114176664CN=SafeScript sub-CA for RCAI Class 2 2014, OU=Sub-CA, O=Sify Technologies Limited, C=IN**DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU***Signature*

Name of Assessee	SWAGAT SYNTHETICS PRIVATE LIMITED		
Address	48, MAIN SECTOR SHASTRI NAGAR BHILWARA RAJASTHAN 311001		
Status	Private Company(Domestic)	Assessment Year	2015-2016
Ward	ACIT CIR, BHL ()	Year Ended	31.3.2015
PAN	AABCS9860L	Incorporation Date	24/09/1987
Residential Status	Resident		
Nature of Business	Manufacturing And Trading		
Method of Accounting	Mercantile		
Stock Valuation Method	Cost price And Market price whichever is less		
A.O. Code	RJN-C-760-01		
Filing Status	Original		
Last Year Return Filed On	24/09/2014	Serial No.:	365206551240914
Bank Name	Bank of Baroda, SSI Branch ,MICR:311012003, A/C NO:25790500002714 ,Type: Cash Credit ,IFSC Code: BARB0SSIBH1		
Tele:	(01482)242384,243458 Mob:9829046684		
Tele(Office):	(01482)242384 Mob:9829046684		

### Computation of Total Income

#### Income from Business or Profession (Chapter IV D)

**-3109531**

M/s Swagat Synthetics Pvt Ltd

Profit as per Profit and Loss a/c 18903382

Add:

Donation 50100

Depreciation Debited in P&L A/c 44806459

Penalty paid to ESI department 150570

Total 63910511

Less:

Profit on Sale of Machinery Considered in Other head of Income 8910620

Deduction u/s 32AC(1A) 58109422

Allowable depreciation is Rs. 124136136/- but restricted to Rs. 0/- available profits.

67020042

-3109531

#### Gross Total Income

**0**

#### Total Income

**0**

Round off u/s 288 A

**0**

#### Calculation for Mat

**18903382**

Profit as per part II&III of Schedule VI 31111808

Add:

Income Tax u/s 40(a)(ii) 3782141

Total 34893949

Less:

Deferred Tax Assets 15990567

15990567

18903382





Tax calculated @ 18.5% on Book Profit is more hence tax is calculated u/s 115JB

Tax Due	3497126
Surcharge @ 5.0%	174856
	3671982
Educational Cess	110159
	3782141
T.D.S.	7951237
	-4169096
Refundable (Round off u/s 288B)	4169100

### T.D.S./ T.C.S. From

Non-Salary(as per Annexure)	1076227
T.C.S.(as per Annexure)	6875010
Due Date for filing of Return	September 30, 2015

### Statement of Tax credit of MAT

1a. Tax Payable on deemed total income under section 115JB	3497126	
b. Surcharge on (a) above	174856	
c. Education cess on (a+b) above	110159	
d. Total Tax Payable u/s 115JB (1a+1b+1c)		3782141
2a. Tax Payable on Total Income	0	
b. Surcharge on 2a	0	
c. Education cess on (2a+2b)	0	
d. Gross tax liability (2a + 2b + 2c)		0
3. Amount of MAT liability available for credit in subsequent assessment years(1d-2d)		3782141

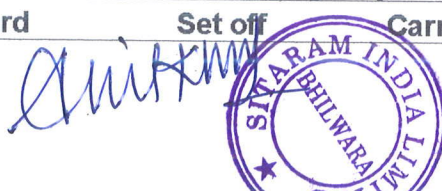
Assessment Year	Brought Forward	Set off	Carried Forward
2010-2011	106058	0	106058
2011-2012	849429	0	849429
2015-2016			3782141
<b>Total</b>	<b>955487</b>	<b>0</b>	<b>4737628</b>

### Statement of Current Year Loss Adjustment

Head/Source of Income	Current Year Income	House Property Loss of the Current Year Set off	Business Loss of the Current Year Set off	Other Sources Loss of the Current Year Set off	Current Year Income Remaining after Set off
Loss to be adjusted			127245667		
House Property	NIL		NIL	NIL	NIL
Business	NIL	NIL		NIL	NIL
Speculation Business	NIL	NIL	NIL	NIL	NIL
Short term Capital Gain	NIL	NIL	NIL	NIL	NIL
Long term Capital Gain	NIL	NIL	NIL	NIL	NIL
Other Sources	NIL	NIL	NIL		NIL
Total Loss Set off		NIL	NIL	NIL	
Loss Remaining after set off		NIL	127245667	NIL	

### Statement of Business losses Brought/Carried Forward of M/s Swagat Synthetics Pvt Ltd

Assessment Year	Brought Forward	Set off	Carried Forward
Current Year Loss			3109531



Total	0	0	3109531
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**Statement of Unabsorbed Depreciation Brought/Carried Forward of M/s Swagat Synthetics Pvt Ltd**

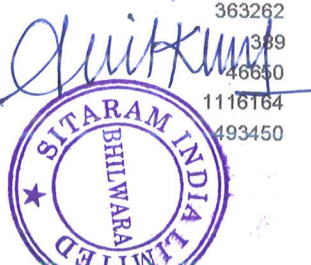
Assessment Year	Brought Forward	Set off	Carried Forward
Current Year Loss			124136136
Total	0	0	124136136

**Details of Depreciation M/s Swagat Synthetics Pvt Ltd**

Particulars	Rate	Opening	More Than 180 Days	Less Than 180 Days	Total	Sales	Sales Less Than 180 days	Balance	Depreciation (Short Gain)	WDV Closing
Building	10%	7767469	0	11855968	19623437	0	0	19623437	1369545	18253892
Furniture & Fitting including electric Fitting	10%	720740	24449	44480	789669	0	0	789669	76743	712926
Office Equipments	15%	497378	118600	517600	1133578	0	0	1133578	131217	1002361
Office Building	10%	22255104	0	0	22255104	0	0	22255104	2225510	20029594
PLANT AND MACHINERY	15%	70078875	0	0	70078875	37655000	0	32423875	4863581	27560294
Two Wheelers	15%	103592	48607	0	152199	0	0	152199	22830	129369
M. F. A.	15%	264528	0	0	264528	0	0	264528	39679	224849
Car	15%	2756965	0	1921076	4678041	0	0	4678041	557626	4120415
Computer	60%	406442	183481	5101110	5691033	0	0	5691033	1884287	3806746
PLANT AND MACHINERY (TUFF)	50%	12291	0	0	12291	0	0	12291	6146	6145
New Plant	15%	5755902	0	0	5755902	0	0	5755902	863385	4892517
New Plant 1	15%	132958	0	0	132958	0	0	132958	19944	113014
PLANT AND MACHINERY	15%	0	253036101	134360046	387396147	0	0	387396147	112075643	275320504
(Including additional depreciation)										
Total		110752244	253411238	153800280	517963762	37655000	0	480308762	124136136	356172626

**Details of T.D.S. on Non-Salary(26 AS Import Date:21 Aug 2015)**

S.No	Name of the Deductor	Tax deduction A/C No. of the deductor	Amount Paid/credited	Total Tax deducted	Amount out of (5) claimed for this year
1	ANKIT SOMANI	JDHA08995A	140624	2813	2813
2	ARVIND LIMITED	AHMT00462A	17923771	358475	358475
3	ASHOK KUMAR DADLANI	JDHA07823E	20018	400	400
4	ASSTT ENGR CSD IV A V V N L BHL	JDHA08486C	185885	18589	18589
5	BANK OF BARODA	JDHB02691D	401299	40130	40130
6	BANK OF BARODA	JDHB02894D	2206391	220639	220639
7	BHAVESH SILK INDUSTRIES PVT. LTD	MUMB06794E	9824	982	982
8	BSL LIMITED	CALB05106D	2304256	46086	46086
9	CHENARAM CHUTRAM JAT	JDHC03214B	3779	378	378
10	DALPAT TEXTILE PRIVATE LIMITED	JDHD04584G	3022	302	302
11	JAI KARNI SUITINGS PRIVATE LIMITED	JDHJ01455G	3622082	72442	72442
12	JANTA FAB PVT LTD	JDHJ01717C	390020	7800	7800
13	JYOTI MOTELS PVT. LTD.	JDHJ01381C	60492	1210	1210
14	KANCHAN INDIA LIMITED	JDHK03738A	428250	8565	8565
15	KUSUM MEHTA	JDHK03967F	363262	7265	7265
16	NAMASKAR WEAVING MILLS	MUMN10495C	3389	39	39
17	PUNEET SYNTEX PVT LTD	MUMP15789E	46650	933	933
18	RAJENDRA KUMAR DHABRIYA	JPRR06662F	1116164	22323	22323
19	RELIANCE INDUSTRIES LIMITED	MUMR00462A	493450	9868	9868





20	SAAM TEXTILES PRIVATE LIMITED	MUMS36932A	9819250	196411	196411
21	SAMYAK SYNTHETICS PRIVATE LIMITED	JDHS12276F	68197	1364	1364
22	SIDDHI FAB	JDHS02075D	45300	906	906
23	SONA PROCESSORS INDIA LTD	JDHS01290C	859909	17202	17202
24	SONA TEXTFAB PRIVATE LIMITED	JDHS12079E	227333	22733	22733
25	SUSHILA DEVI DHABRIYA	JDHS08534B	110750	2215	2215
26	TRIPUTI ENTERPRISES PRIVATE LIMITED	JDHT00965G	805306	16106	16106
27	VIMAL TOPMAN TRADE PRIVATE LIMITED	JDHV02114A	513	51	51
<b>TOTAL</b>			<b>41656186</b>	<b>1076227</b>	<b>1076227</b>

**Details of T.C.S.(26 AS Import Date:21 Aug 2015)**

S.No	Name of the Collector	Tax Deduction and Tax Collection Account Number of the Collector	Total tax collected	Amount out of (4) claimed during the year
1	PIU UDAIPUR	JDHP01566F	6875010	6875010
<b>TOTAL</b>			<b>6875010</b>	<b>6875010</b>

Signature  
For SWAGAT SYNTHETICS PRIVATE LIMITED

CompuTax : [SWAGAT SYNTHETICS PRIVATE LIMITED]



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# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## 28<sup>th</sup> Annual Report

2014-2015





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## Board of Directors

Shri Jagdish Prasad Nuwal

Director

Shri Anil Kumar Nuwal

Managing Director

Shri Madhu Sudan Nuwal

Director

### Registered office

| 48, Main sector, Shastri Nagar,  
| Bhilwara-311001

### Administrative & Sales office

| F-226-227, G-228-229 Riico Ind. Area,  
| Pur Raod, Bhilwara-311001

### Plant

#### Unit -I

| G-13, 14 Riico Ind. Area  
| Pur Road, Bhilwara-311001

#### Unit -II

| F-226-227, G-228-229 Riico Ind. Area,  
| Pur Road, Bhilwara-311001

### Auditors

| S. Dad & Co.  
| Chartered Accountants  
| 44-1st Floor,  
| Heera Panna Market  
| Pur Road  
| Bhilwara-311001

### Bankers

| Bank of Baroda  
| S.S.I. Branch, Bhilwara-311001



*Signature*

# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## HIGHLIGHTS

OF LAST 5 YEARS

IN LACS

PARTICULARS	2014-15	2013-14	2012-13	2011-12	2010-11
Total Revenue	11355.53	6104.26	5484.96	5423.96	5756.10
Operating profit(PBDIT)	1029.68	597.54	582.32	554.19	521.27
Net Profit after Tax	311.12	85.72	58.83	40.67	32.22
Earning per share	6.55	2.07	1.42	0.98	0.78
Share capital	499.90	413.40	413.40	413.40	413.40
Reserves and surplus	1514.01	1004.57	918.85	860.02	826.42
Deferred Tax Liabilities	(1.90)	158.01	144.24	139.88	132.55
Loan Funds (Secured)	3001.98	261.57	577.67	526.00	652.34
Loan Funds (Unsecured)	1616.32	959.48	520.63	770.21	810.77
Fixed assets Net Block (Including W.I.P.)	5030.01	2047.58	1793.75	1891.35	2001.72
Net Current Assets	1573.44	728.03	759.12	799.35	817.71
Non Current Assets	26.86	21.42	21.92	18.45	16.05



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# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## CORPORATE INFORMATION

### Board of Directors

Shri Jagdish Prasad Nuwal	Director
Shri Anil Kumar Nuwal	Managing Director
Shri Madhu Sudan Nuwal	Director

### Registered office

| 48, Main sector, Shastri Nagar,  
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| Heera Panna Market  
| Pur Road  
| Bhilwara-311001

### Bankers

| Bank of Baroda  
| S.S.I. Branch, Bhilwara-311001





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting (AGM) of the members of **Swagat Synthetics Private Limited** will be held on 25<sup>th</sup> September, 2015 at 11.00 A.M. at the Registered Office of the Company to transact the following business: -

### ORDINARY BUSINESS:

1. To receive, consider & adopt the financial statement of the company for the year ended on 31<sup>st</sup> March 2015, including the audited balance sheet as at March 31, 2015, the statement of profit & Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To ratify the appointment of auditors of the company, and to fix their remuneration and to pass the following resolution as an *ordinary resolution* thereof:

**"RESOLVED** that pursuant to section 139, 142 and other applicable provisions of the Companies Act 2013, and the rules made there under, and pursuant to the resolution passed by the members at the AGM held on September 30, 2015, the appointment of **M/s S.Dad & Co. Chartered Accountants** (FRN: 007534C) as the statutory auditors of the company to hold office till the conclusion of the AGM to be held in the calendar year 2019 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 2016 as may be determined in consultation with the auditors."

### SPECIAL BUSINESS:

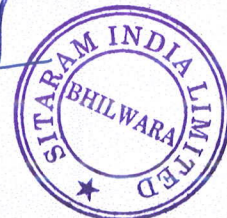
#### 3. ADOPTION OF NEW SET OF ARTICLE OF ASSOCIATION

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**"RESOLVED** that pursuant to the provision of section 14 and all other applicable provision of the companies act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft regulation contained in the Article of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to entire exclusion, of the regulations contained in the existing Article of Association of the company with immediate effect ;

**"RESOLVED FURTHER THAT** Shri Jagdish Prasad Nuwal, Director of the Company be and are hereby severally authorized to do all such acts, deed and actions as may be necessary, proper or expedient to give effect to this resolution"

*Shri Jagdish Prasad Nuwal*





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## 4. ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION

To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution:

**"RESOLVED** that pursuant to the provision of section 13 and all other applicable provision of the companies act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the draft clauses contained in the Memorandum of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to entire exclusion, of the Clauses contained in the existing Memorandum of Association of the company with immediate effect ;

**"RESOLVED FURTHER THAT** Shri Jagdish Prasad Nuwal, Director of the Company be and are hereby severally authorized to do all such acts, deed and actions as may be necessary, proper or expedient to give effect to this resolution"

## 5. INCREASE IN BORROWING POWERS

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

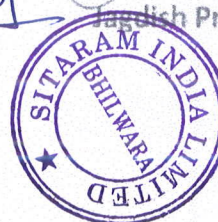
**"RESOLVED THAT** pursuant to provision of section 180(1)(c) of the Companies Act 2013, the Consent of the company be and is hereby accorded to the Board of Directors of the Company to borrow and sum or sums of money from time to time, on such terms and conditions and with or without security as the Board of Directors may deem fit from banks, financial institution or any other kind of lenders notwithstanding that the money or money to be borrowed together with the money already borrowed by the company (apart from temporary loans obtained from the Company's Banker in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not so set aside for any specific purposes, Provided however that the total amount so Borrowed and remaining outstanding at any particular time shall not exceed **Rs. 100 Crores.**"

**"RESOLVED FURTHER THAT** Shri Jagdish Prasad Nuwal, Director of the Company be and are hereby severally authorized to do all such acts, deed and actions as may be necessary, proper or expedient to give effect to this resolution"

For & on Behalf of Board

Dated 25<sup>th</sup> August, 2015  
Place: Bhilwara

*[Signature]*  
Jagdish Prasad Nuwal  
Director



(DIN-00172049)



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed herewith.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE MEETING.** A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company, a duly certified Board Resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.
4. The relevant documents accompanying the Notice are open for inspection to the members at the Registered Office of the Company during the normal business hours of the Company up to the date of the Meeting.
5. The members are requested to notify any change to address, E-mail ID or any other detail of members as registered with the company
6. Members desirous of asking any questions at the Annual General Meeting are requested to send in their questions so as to reach the Company at least 10 days before the Annual General Meeting so that the same can be suitably replied.
7. The Accounts, reports and other documents required under the law to be annexed thereto will be available for inspection during working hours from 10.00 a.m. to 1.00 p.m. at the Registered Office of the Company on any working day except Saturdays and Sundays prior to the date of the Annual General Meeting.
8. Members holding shares in physical form are requested to furnish their Email ID at [Swagatsynthetic@gmail.com](mailto:Swagatsynthetic@gmail.com) and/or send letter to us quoting their Folio No. and e-mail ID to enable us to serve any document, notice, communication, annual reports etc. through e-mail. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode. Members holding shares in demat form may get their email ID updated with their respective Depository Participants. We request the members to continue to support the Green Initiative introduced by MCA and make it a success.



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



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## Item No. 3 & 4

The following **Explanatory Statement** set out all the material facts relating to the Special Business mentioned under Item Nos. 3 & 4 of the accompanying Notice:

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies act, 1956 and some regulations in existing AOA are no longer in conformity with the Companies Act 2013.

The Companies Act 2013 is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs (MCA) had notified 98 sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction of the National Company Law Tribunal). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Company Act 2013 several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AOA by a new set of articles.

The new AOA to be substituted in place of the existing AOA are based on table 'F' of the Act which sets out the model Articles of Association for a company limited by shares.

## Item No. 5

The following **Explanatory Statement** set out all the material facts relating to the Special Business mentioned under Item Nos. 5 of the accompanying Notice

The Board of Directors has decided to set up a New Composite Textile Unit i.e Spinning Mill, Weaving Unit & Process House, with state of the art technology and innovation, with total project outlay of Rs. 275 Crore in Bhilwara. Therefore your Company is in need to borrow funds from Bank/Financial Institution to set up New Composite textile Unit.

As per the provision of Section 180(1)(c) of the Companies Act, 2013 which has replaced Section 293(1)(d) of the Companies Act, 1956 provides that the Board of Directors shall not borrow in excess of the Company's paid up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution. Further, as per a clarification issued by the Ministry of Corporate Affairs, the ordinary resolution earlier passed under Section 293(1)(a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013 i.e. up to 11 September, 2014.



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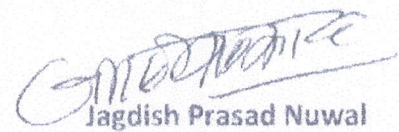
# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

Accordingly, it is, therefore, necessary for the members to pass a special resolution under Section 180(1)(c) of the Companies Act, 2013, to enable to the Board of Directors to borrow money the outstanding amount of which at any time shall not exceed in the aggregate 100 Crores (Rupees Hundred Crores Only).

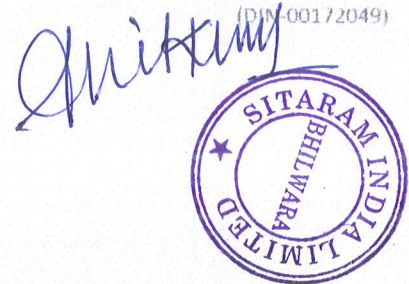
The Board of Directors recommends the above resolution for your approval. None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution

For & on Behalf of Board

  
Jagdish Prasad Nuwal

Director

(DIN-00172049)



Dated 25<sup>th</sup> August, 2015  
Place: Bhilwara



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 28<sup>th</sup> Annual report of the company & audited statement of accounts for the year ended 31st March, 2015.

### FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lacs)	
	Current Year	Previous year
1. Turnover/Gross receipts	11355.53	6104.26
2. Profit Before Depreciation & Amortization	637.09	270.87
3. Depreciation & Amortization	448.06	145.82
4. Profit Before Tax	189.03	125.05
5. Provision For Income Tax Including Deferred Tax	(122.08)	39.33
6. Net profit After Tax	311.12	85.72

### BUSINESS PERFORMANCE

The Directors of the company are pleased to inform the members that during the year under review, your Company recorded consistent performance vis-à-vis the previous year. Company maintained its performance despite Sluggish textile scenario. During the year under consideration the company has achieved turnover/gross receipts of Rs. 11355.53 Lacs as against Rs. 6104.26 Lacs in the previous year. Net profit before tax is Rs. 189.03 Lacs in comparison of Rs. 125.05 Lacs in the Previous Year.

### NEW PROJECT

The Directors of the company are pleased to inform to the members of the company that company has decided to set up a new composite textile unit with state of the art technology and innovation with project cost of Rs 275 Crores and employment generation for about 665 persons in textile city Bhilwara, Details are as under:

- Project of 100 Air Jet/Rapier Looms having weaving Capacity of 125 Lac Meter fabrics per annum with project outlay of around Rs.70 Crore and employment generation potential for 140 persons.
- World Class Eco friendly Process House having Capacity to Process 40 Lacs Meters PV and Cotton Fabrics per Month with project out lay of approx 95 Crore and employment generation potential for 225 persons
- Project of 2600C Spindles of PV Yarn Manufacturing having Project Cost of Rs. 110 Crore and employment generation potential for 235 persons

Your Directors are pleased to inform the members that the implementation of the above first Expansion Project will be started by the end of Nov. 2015. Your Directors are hopeful that the above project will lead to significant growth in the turnover and profitability of the Company.





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

The Company has also signed MOU with the Rajasthan Government to establish the aforesaid unit in the state as a build-up to the "Resurgent Rajasthan Partnership Summit" held on 6<sup>th</sup> August 2015 at New Delhi. The Proposed unit is expected to generate approximately 665 Jobs and many other indirect employments

## DIVIDEND

Taking into consideration the increased need of funds for working capital and to sustain future growth of company through more assets expansion, your Directors have decided to conserve the profit and do not recommend any dividend for the financial year ended on March 31, 2015

## TRANSFER TO RESERVES

The Company has not transferred any amount to reserves.

## DEPOSITS

During the year under review the company has not accepted any deposit covered under Chapter V of the 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, the Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) 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

## SIGNIFICANT AND MATERIAL ORDERS

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

## NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met Nine times during the financial year. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## AUDITOR & AUDITOR'S REPORT

At the Annual General Meeting held on September 30, 2014, **S. Dad & Co., Chartered Accountants**, were appointed as statutory auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2019. In terms of the first proviso to section 139 of the companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s S. Dad & Co., *Chartered Accountants*, (FRN No. 007534c) as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013.

The Notes on financial statement referred to in the Auditors Report, are self-explanatory and do not call for any further comments. The Auditors Report does not contain any qualification, reservation or adverse remark.

## EXTRACT OF ANNUAL RETURN

In accordance with section 134(3)(a) of the Companies Act, 2013, an extract of the annual return as provided under sub section (3) of section 92 of the Companies Act 2013 is appended as **Annexure 1** to the *Boards' report*.

## MATERIAL CHANGES & COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes & commitments affecting the financial position of the company between the end of the financial year to which this financial statements relate and the date of the report

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

During the year under review, the company has not made any investments or granted any loans or guarantee within the meaning of the provisions of section 186 of the Companies Act, 2013.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

Pursuant to the provisions of section 188(1) of the Companies Act, 2013, all contracts / arrangements / transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The requisite details in the prescribed form AOC-2, is appended as **Annexure 2** to the *Board's Report*

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

The particulars as prescribed under sub- section (3)(m) of section 134 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, are enclosed as **Annexure 3** to the *Boards' Report*.





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## PARTICULARS OF EMPLOYEES

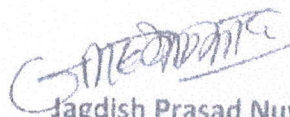
Information pursuant to the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as none of employees is drawing salary up to and exceeding the limit specified in the said rules during the year or part of the year.

## ACKNOWLEDGEMENT

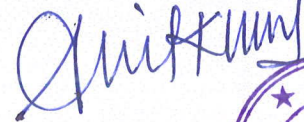
Your Director sincerely appreciates the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Director also wishes to place on record their gratitude to the Bankers, Govt. & Semi Govt. organization & Member for their continued support and confidence.

For & on Behalf of Board

Dated 25<sup>th</sup> August, 2015  
Place: Bhilwara

  
Jagdish Prasad Nuwal  
Director  
(DIN-00172049)

  
Anil Kumar Nuwal  
Managing Director  
(DIN-00096471)







# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## ANNEXURE - 1

### FORM NO. MGT -9

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

#### I. REGISTRATION AND OTHER DETAILS:

Corporate Identity Number(CIN) of the company	U24304RJ1987PTC004101
Registration Date	24/09/1987
Name of the Company	Swagat Synthetics Private Limited
Category/Sub Category of the Company	Company Limited by Share/ Private Limited Company
Address of the registered Office & Contact details	48, Main Sector, Shastri Nagar, Bhilwara, Rajasthan -311001 Tel: +91-01482-260385,386 E-mail: swagatsynthetic@gmail.com
Listed Company (Yes/No)	NO
Name, Address and Contact details of Registrar and Transfer Agent, if any	N/A

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Name and description of Main Product /services	NIC Code of the Product/Services	% to total turnover of the Company
Fabric Division	1312	68.90
Toll Division	7080	31.10

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Particulars	Country	CIN	Holding/ Subsidiary / Associate	% of share holding	Applicable Section
NIL					

*Quittung*





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### A) Category Wise Shareholding

Category of Shareholder	No. of Shares held at the beginning of year (As on 31-03-2014)				No. of Shares held at the end of the year (As on 31-03-2015)				% Change during the year
	Demat	Physical	Total	%Change of Shares	Demat	Physical	Total	%Change of Shares	
A. Promoters and Promoters Group									
(1) Indian									
a) Individual/HUF	-	2618700	2618700	63.34	-	3483700	3476700	69.68	6.34
b) Bodies Corporate	-	1515300	1515300	36.65	-	1515300	1522300	30.32	6.33
Sub Total A (1)	-	4134000	4134000	100	-	4999000	4999000	100	
(2) Foreign	NIL								
Sub Total A (2)	NIL								
Total Shareholding of Promoters A = A(1)+A(2)		4134000	4134000	100		4999000	4999000	100	12.74
B. Public Share Holding									
(1) Institution	NIL								
(2) non Institution	NIL								
Total Public Shareholding B = B(1)+B(2)	NIL								
Total (A+B)	-	4134000	4134000	100	-	4999000	4999000	100	

### B) Shareholding of Promoters

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jagdish Prasad Nuwal	602500	14.57%		747500	14.95%		0.38%
2	Anil Nuwal	933800	22.59%		1147700	22.96%		0.37%
3	Jugal Kishore Nuwal	300500	7.27%		350500	7.01%		0.26%
4	Madhu Sudan Nuwal	497100	12.02%		553200	11.07%		0.95%
5	Kanta Nuwal	110000	2.66%		110000	2.20%		(0.46%)
6	Hukmi Chand Kabra	1500	0.04%		1500	0.03%		(0.01%)
7	Mamta Nuwal	35300	0.85%		35300	0.71%		(0.14%)
8	Madhu Nuwal	16000	0.39%		16000	0.32%		(0.07%)
9	Sangeeta Nuwal	45000	1.09%		45000	0.90%		(0.19%)
10	Sunita Nuwal	33000	0.80%		33000	0.66%		(0.14%)





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

11	Ajit Joshi	5000	1.21%	5000	0.10%	(1.11%)
12	Sita Software private limited	340450	8.24%	340450	6.81%	(1.43%)
13	Seezo Infotech Private Limited	619850	14.99%	619850	12.40%	(2.59%)
14	Suresh Chandra Ranikhera	4000	0.10%	4000	0.08%	(0.02%)
15	Shakuntala Chaparwal	5000	1.21%	5000	0.10%	(1.11%)
16	Ganga Chaparwal	7000	0.17%	7000	0.14%	(0.03%)
17	Sandeep Enterprise	9000	0.22%	9000	0.18%	(0.04%)
18	Sandeep Chaparwal	7000	0.17%	7000	0.14%	(0.03%)
19	Mukesh Chaparwal	7000	0.17%	7000	0.14%	(0.03%)
20	Exclusive Com Private Limited	555000	13.43%	555000	11.10%	(2.33%)
21	Anil Kumar Nuwal HUF	-	-	200000	4.00%	4.00%
22	Madhu Sudan Nuwal HUF	-	-	200000	4.00%	4.00%
<b>TOTAL</b>		<b>4134000</b>	<b>100%</b>	<b>4999000</b>	<b>100%</b>	<b>19.69%</b>

## C) Changes in Promoters Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the	No. of shares	% of total shares of the company
At the beginning of the year				
Jagdish Prasad Nuwal	602500	14.57%	747500	14.95%
Add: (Allotment Of Share)	+145000	-	-	-
<b>Total</b>	<b>747500</b>	<b>14.57%</b>	<b>747500</b>	<b>14.95%</b>
Anil Nuwal	933800	22.59%	1147700	22.96%
Add: (Allotment of Share)	+213900	-	-	-
<b>Total</b>	<b>1147700</b>	<b>22.59%</b>	<b>1147700</b>	<b>22.96%</b>
Jugal Kishore Nuwal	300500	7.27%	350500	7.01%
Add: (Allotment Of Share)	+50000	-	-	-
<b>Total</b>	<b>350500</b>	<b>7.27%</b>	<b>350500</b>	<b>7.01%</b>
Madhu Sudan Nuwal	497100	12.02%	553200	11.07%
Add: (Allotment of Shares)	+56100	-	-	-
<b>Total</b>	<b>553200</b>	<b>12.02%</b>	<b>553200</b>	<b>11.07%</b>
Anil Kumar Nuwal HUF	0	0	200000	4.00%
Add: (Allotment of Share)	+200000	-	-	-
<b>Total</b>	<b>200000</b>	<b>0</b>	<b>200000</b>	<b>4.00%</b>





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

Madhu Sudan Nuwal HUF	0	0	200000	4.00%
Add: (Allotment Of Share)	+200000	-	-	-
<b>Total</b>	<b>200000</b>	<b>0</b>	<b>200000</b>	<b>4.00%</b>

## D) Shareholding Pattern of top ten Shareholders

(Other than directors, promoters and Holders of ADRs')

Name of Top 10 Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<i>There is no shareholder exists other than promoters, directors during the current financial year</i>				

## E) Shareholding of Directors and Key Managerial Personnel

Name of Director/ KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of	% of total shares of the company	No. of shares	% of total shares of the company
Jagdish Prasad Nuwal	602500	14.57%	747500	14.95%
Anil Nuwal	933800	22.59%	1147700	22.96%
Madhu Sudan Nuwal	497100	12.02%	553200	11.07%



*Quittum*

V INDEBTNESS :-



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding Deposits	Unsecur ed Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2014)</b>				
i) Principal Amount	16,06,95,901	9,59,47,931	-	25,66,43,832
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total (i+ii+iii)	16,06,95,901	9,59,47,931	-	25,66,43,832
<b>Changes in Indebtedness during the financial year</b>				
Addition	34,40,06,831	6,54,84,381	-	40,94,91,212
Deduction	-	-	-	-
Net Change	34,40,06,831	6,54,84,381	-	40,94,91,212
<b>Indebtedness at the end of the financial year (31.03.2015)</b>				
i) Principal Amount	50,47,02,732	16,14,32,312	-	66,61,35,044
ii) Interest Due but not paid	-	-	-	-
iii) Interest Accrued but not due	-	-	-	-
Total (i+ii+iii)	50,47,02,732	16,14,32,312	-	66,61,35,044

## VI REMUNERATION OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Particulars of Remuneration	Name of Director			Amount
	Jagdish Parasd Nuwal	Anil Kumar Nuwal	Madhu Sudan Nuwal	
Salary	1107000	1107000	1107000	3321000
Total	1107000	1107000	1107000	3321000

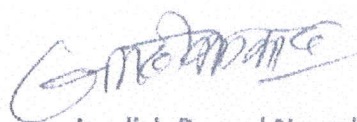
## VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for the year ending March 31, 2015

For & on Behalf of Board

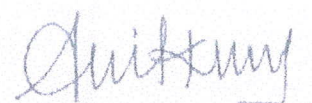
Dated 25<sup>th</sup> August, 2015

Place: Bhilwara

  
Jagdish Prasad Nuwal

Director

(DIN-00172049)

  
Anil Kumar Nuwal

Managing Director

(DIN-00096471)





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## ANNEXURE 2

### PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

(Pursuant to Clause(h) of Sub section (3) of section 134 of the Companies Act 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 -Form AOC -2)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

### DETAILS OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS NOT AT ARM'S LENGTH BASIS.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length Basis.

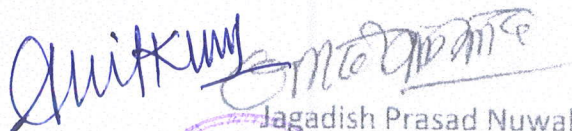
### DETAILS OF CONTRACTS/ ARRANGEMENTS/ TRANSACTIONS AT ARM'S LENGTH BASIS:

There details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Amount (In Lacs)
<u>Nature of Contracts</u>				
<b>Sale Of Goods</b>				
Sita Software Pvt. Ltd.	One of the director is having directorship in the company	Not Applicable	Not Applicable	732.85
Seezo Infotech Pvt. Ltd.	One of the director is having directorship in the company	Not Applicable	Not Applicable	1297.53
Exclusive. Com Pvt. Ltd	One of the director is having directorship in the company	Not Applicable	Not Applicable	282.04
<b>Purchase of Goods</b>				
Sita Software Pvt. Ltd.	One of the director is having directorship in the company	Not Applicable	Not Applicable	958.78
Seezo Infotech Pvt. Ltd.	One of the director is having directorship in the company	Not Applicable	Not Applicable	755.91
Exclusive. Com Pvt. Ltd	One of the director is having directorship in the company	Not Applicable	Not Applicable	216.34

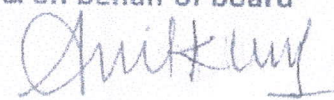
For & on behalf of board

Date: 25th August 2015  
Place: Bhilwara

  
Jagadish Prasad Nuwal

Director  
(DIN-00172049)





Anil Kumar Nuwal  
Managing Director  
(DIN-00096471)



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## ANNEXURE 3

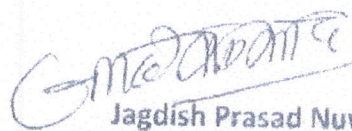
### CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

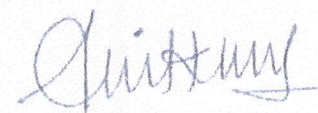
(Pursuant to the Companies (Accounts) Rules, 2014.)

PARTICULARS	Current Year	Previous Year
<b>A: CONSERVATION OF ENERGY</b>		
A. Electricity		
a. Purchase Units (in Lacs)	39.63	28.22
Total Amount (in Lacs)	265.24	175.98
Rate/Unit (Amount in Rs)	6.69	6.23
b. Own Generation		
Through Diesel generator		
Unit (In Lacs)	0.73	1.55
Unit Per 3.19 ltr. of diesel oil		
Cost / Unit (Rs)	18.50	16.03
<b>B. Consumption per unit of production</b>		
Production (Mtrs.)	78.89	90.65
Electricity Units Per Mtrs.	0.30	0.31
<b>B. TECHNOLOGY ABSORPTION</b>		
Expenditure incurred on R&D during the year.		
-Capital Expenditure	Nil	Nil
-Recurring Expenditure -	The expenditure form the part of general expenses of the company, the precise amount is not quantifiable.	
<b>C. FOREIGN EXCHANGE EARNINGS AND OUT GO.</b>		
Foreign exchange earnings	NIL	NIL
Foreign exchange outgo	3277.89	80.64
Net Foreign exchange outgo	3277.89	80.64

For & on Behalf of Board

Dated 25<sup>th</sup> August, 2015  
Place: Bhilwara

  
Jagdish Prasad Nuwal  
Director  
(DIN-00172049)

  
Anil Kumar Nuwal  
Director  
(DIN-00096471)





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## INDEPENDENT AUDITOR'S REPORT

To the Members of

SWAGAT SYNTHETICS PRIVATE LIMITED  
REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Swagat Synthetics Private Limited** ("The Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2015, the Profit and Loss Statement, the Cash flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE 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 financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

## OPINION

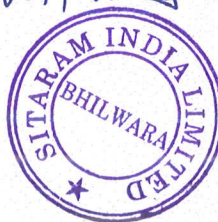
In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## REPORT ON OTHER LEGAL AND REGULATORY MATTERS

1. As required by the Companies (Auditor's Report) Order 2015, ("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 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 Profit and Loss Statement, 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 March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) 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 derivatives contracts for which there were any material foreseeable losses
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

*Sanjay Dad*



For - S. Dad & Co.  
Chartered Accountants  
Firm Registration No. 007534C

*Sanjay Dad*  
Sanjay Dad  
Partner  
M. No 076334

Date: 25<sup>th</sup> August 2015  
Place: Bhilwara



# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in our report of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March 2015, we report that.

(i)

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) As explained to us, the Company has a regular program of physical verification of its fixed assets on a rotational basis, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. Accordingly, certain fixed assets were physically verified by the management during the year and no material discrepancies were identified on such verification.

(ii)

- a) As explained to us, inventory has been physically verified during the year by the management.
- b) In our opinion, the frequency of verification is reasonable. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification of inventory as compared to book records have been dealt with in the books of account and the same were not material.

(iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, Paragraph (iii) (b) & (c) of the order is not applicable to the company

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of inventory/ fixed assets and with regards to the sale of goods. During the course of audit, we have not observed any continuing failure to correct major weakness in internal control.

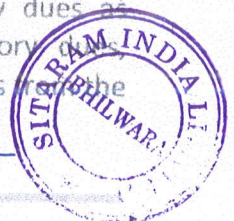
(v) In our opinion, the company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under.

(vi) As per information and explanations given to us, the Central Government has not prescribed Maintenance of cost records for company's products u/s 148(1) of the Companies Act 2013.

(vii)

- a) According to the information and explanations given to us and the records of the company examined by us, the company is regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Wealth tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other material statutory dues as applicable with the appropriate authorities & there were no undisputed statutory dues outstanding at the year ended on 31st March 2015, for a period of more than six months from the date they became payable.

*Quitting*





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

(b) According to the information and explanations given to us and the records of the company examined by us, there are no material dues of sales tax, wealth tax, service tax, duty of customs, duty of excise or value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, details of dues of income tax which have not been deposited on account of any dispute are mentioned below.

Sr. No	Name of the Statute	Nature of the Dues	Amount (in Lacs)	Period to which the amount relates	Forum Where Dispute is pending
1.	Income Tax Act 1961	Income Tax	11.93	FY 2011-12	CIT (A) – Ajmer

(c) According to the information and explanations given to us, the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under related to Investor Education and protection Fund was not applicable to the company. Hence, paragraph (vii) (c) of the order is not applicable.

(viii) The company does not have any accumulated losses at the end of financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank.

(x) In our opinion and as per explanations given to us, the company has not given guarantee for loan taken by the others from banks or financial institutions during the year.

(xi) In our opinion, and according to the information and explanation given to us, the Company has raised new term loans of Rs. 2918.57 Lacs during the year and the same were applied for the purposes for which they were obtained.

(xii) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Date: 25<sup>th</sup> August 2015

Place: Bhilwara

For - S. Dad & Co.  
Chartered Accountants  
Firm Registration No. 007534C

Sanjay Dad  
Partner

M. No 076334





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

## Balance Sheet as at 31st March 2015

	Particulars	Note No.	Current Year	Previous Year
<b>I. EQUITY AND LIABILITIES</b>				
<u>Shareholder's Funds</u>				
	(a) Share Capital	1	499,90,000	413,40,000
	(b) Reserves and Surplus	2	1516,01,237	1004,56,825
<u>Non-Current Liabilities</u>				
	(a) Long-Term Borrowings	3	4616,30,517	1221,04,483
	(b) Deferred Tax Liabilities ( Vet)	4	(1,90,011)	158,00,556
<u>Current Liabilities</u>				
	(a) Short-Term Borrowings	5	1864,81,455	1217,19,781
	(b) Trade Payables	6	823,65,095	369,53,697
	(c) Other Current Liabilities	7	267,98,832	183,96,409
	<b>Total Equity &amp; Liabilities</b>		<b>9586,77,125</b>	<b>4567,71,752</b>
<b>II. ASSETS</b>				
<u>Non-Current Assets</u>				
	(a) Fixed Assets			
	(i) Gross Block	8	6045,64,555	3130,42,697
	(ii) Depreciation		1049,41,073	1415,47,684
	<u>Tangible Assets</u>		<b>4996,23,481</b>	<b>1714,95,013</b>
	(b) Long term loans and advances	9	26,86,390	21,41,544
<u>Current Assets</u>				
	(a) Inventories	10	2347,04,775	1693,19,181
	(b) Trade receivables	11	906,05,682	731,12,338
	(c) Cash and Bank	12	77,58,751	22,88,651
	(d) Short-term loans and advances	13	280,44,511	377,64,779
	(e) Other Current Assets	14	952,53,535	6,50,246
	<b>Total Assets</b>		<b>9586,77,125</b>	<b>4567,71,752</b>

Notes on Accounts & Significant Accounting policies

1 to 32

As per Our report attached on even date

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants

*Sanjay Dad*

Sanjay Dad

Partner

Membership No. 076334

Date: 25th August 2015

Place: Bhilwara

For and on Behalf of the Board

*Jagdish Prasad Nuwal*

Jagdish Prasad Nuwal

Director

(DIN no 00172049)

*Anil Nuwal*

Anil Nuwal

Managing Director

(DIN no 00096471)

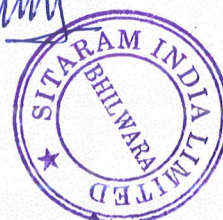
*Madhusudan Nuwal*

Madhusudan Nuwal

Director

(DIN no 00212341)

*Anil Nuwal*





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

## Statement of Profit & Loss for the year ended 31st MARCH 2015

Particulars	Note No.	Current Year	Previous Year
<b>Revenue</b>			
Revenue from operations	15	11231,93,252	6071,47,962
Other Income	16	123,60,103	32,78,469
<b>III. Total Revenue (I + II)</b>		<b>11355,53,355</b>	<b>6104,26,431</b>
<b>Expenses:</b>			
Cost of materials consumed	17	2686,17,137	2273,98,645
Purchase of Stock-in-Trade/Toll Expenses	18	6319,66,509	1720,32,790
Direct/ Production Overhead	19	868,00,452	697,52,535
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(358,04,000)	126,53,252
Employee Benefit Expense	21	425,22,489	363,26,703
Financial Costs	22	392,58,077	326,66,174
Depreciation and Amortization Expense	23	448,06,459	145,82,125
Administrative Expenses	24	384,82,849	325,09,002
<b>Total Expenses</b>		<b>11166,49,973</b>	<b>5979,21,226</b>
Profit before tax (VII - VIII)		<b>189,03,382</b>	<b>125,05,205</b>
<b>Tax expense:</b>			
(1) Current tax		37,82,141	25,57,244
(2) Deferred tax	4	(159,90,567)	13,76,159
<b>Profit/(Loss) for the period (IX + XI)</b>		<b>311,11,808</b>	<b>85,71,802</b>
<b>Earning per equity share:</b>			
(1) Basic	25	6.55	2.07
(2) Diluted	25	6.55	2.07

Notes on Accounts & Significant Accounting policies

1 to 32

As per Our report attached

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants

For and on Behalf of the Board

Sanjay Dad

Partner

Membership No. 076334

Date: 25th August 2015

Place: Bhilwara

Jagdish Prasad Nuwal

Director

(DIN no 00172049)

Anil Nuwal

Managing Director

(DIN no 00096471)

Madhusudan Nuwal

Director

(DIN no 00212341)





# Swagat Synthetics Private Limited

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

Note : 1 Share Capital

Particulars	Current Year	Previous Year
<b>AUTHORIZED CAPITAL</b>		
49,99,000 (P.Y. 42,50,000) Equity shares of Rs. 10/-each	49990000	42500000
	49990000	42500000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
49,99,000 (P.Y. 41,34,000) Equity shares of Rs. 10/- each fully paid up	49990000	41340000
<b>Total in</b>	<b>49990000</b>	<b>41340000</b>

1) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31 March 2015		As at 31 March 2014	
	Number		Number	
Shares outstanding at the beginning of the year	4134000	41340000	4134000	41340000
Shares Issued during the year	865000	8650000		
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>4999000</b>	<b>49990000</b>	<b>4134000</b>	<b>41340000</b>

2) Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held

Name of Shareholder	Equity Shares			
	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jagdish Prasad Nuwal	747500	14.95	602500	14.57
Anil Nuwal	1147700	22.96	933700	22.59
Jugal Kishore Nuwal	350500	7.01	300500	7.27
Madhu Sudan Nuwal	553200	11.07	497100	12.02
Sita Software Pvt. Ltd.	340450	6.81	340450	8.24
Seezoo Infotech Pvt. Ltd.	619850	12.40	619850	14.99
Exclusive.com Pvt. Ltd.	555000	11.10	555000	13.43

*Quitting*





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

*Notes Forming Integral Part of Financial Statement as at 31st March, 2015*

## 2 Reserve & Surplus

Particulars		Current Year	Previous Year
Capital Reserve			
Subsidy	(a)	7,88,522	7,88,522
Share Premium	(b)	550,96,700	345,60,000
Profit & Loss Account	(c)		
Balance brought forward from previous year		651,08,303	565,36,501
Less: Reversal of carrying amount of Fixed Assets whose Life is Nil as on 01.04.2014 as per Companies Act, 2013		5,04,096	-
Add: Profit/(Loss) for the period		311,11,808	85,71,802
Closing Balance for the year		957,16,015	651,08,303
<b>Total</b>	<b>(a+b+c)</b>	<b>1516,01,237</b>	<b>100456825</b>

## 3 Long Term Borrowings

Particulars		Current Year	Previous Year
<u>Fabric Division</u>			
<u>SECURED LOAN</u>			
From Bank			
Term Loans		2977,66,536	247,00,000
Vehicle Loans		24,31,669	14,56,552
<u>UNSECURED LOAN</u>			
From Directors, Shareholders		658,44,753	906,02,020
From Others		13,21,500	53,45,911
<b>Sub Total</b>	<b>(a)</b>	<b>3673,64,458</b>	<b>1221,04,483</b>
<u>Toll Division</u>			
<u>UNSECURED LOAN</u>			
From Others		1,14,104	-
From Corporates		941,51,955	-
<b>Sub Total</b>	<b>(b)</b>	<b>942,66,059</b>	<b>-</b>
<b>Total</b>	<b>(a+b)</b>	<b>4616,30,517</b>	<b>1221,04,483</b>

### Notes and Terms & Condition of Loans:-

#### Term Loans- Primary Securities

- (a) **1. Term Loans :-** Term Loan facility from Bank of Baroda Comprises of 4 term loans. All the four term loans including current maturities are secured by way of first charge over entire Fixed assets (Present & Future) of the company including Equitable Mortgage of Factory Land & Building Situated at G-13,14 RIICO Industrial, Bhilwara and at F-226,227 & G-228,229, 4th Phase, RIICO Industrial area, Bhilwara in the name of M/s Swagat Synthetics Private Limited & personally guaranteed by all the 3 Directors & 5 Relatives of the Directors of the Company, viz Jagdish Prasad Nuwal, Anil Kumar Nuwal, Madhusudan Nuwal, Jugal Kishore Nuwal, Kanta Devi Nuwal, Mamta Nuwal, Sangeeta Nuwal & Madhu Nuwal. Personal Guarantee of relatives of the Directors are restricted to the value of their property/security mortgaged to the bank.
- (b) In addition to the above security, extension of charge over entire current assets of the company (Present & Future)

#### Term Loans- Collateral Securities

- (a) Equitable Mortgage of vacant residential plot situated at B-27, Babu Nagar Bhilwara, Measuring 3150 Sq. Ft standing in the name of Smt Sangeeta Nuwal.
- (b) Equitable Mortgage of vacant residential plot situated at B-28, Babu Nagar Bhilwara, Measuring 5400 Sq. Ft standing in the name of Smt Sangeeta Nuwal, Kanta Devi Nuwal, Mamta Nuwal & Madhu Nuwal.
- (c) Assignment of LIC Policy standing in the name of Anil Nuwal & Madhu Suan Nuwal having Surrender Value of Rs. 1.18 Lacs as on 25.07.2013

*Quibkum*

**SITARA**  
BHILWARA  
INDIA  
LIMITED



# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

## Notes Forming Integral Part of Financial Statement as at 31st March, 2015

### Repayment Schedule of Term loans are as under:

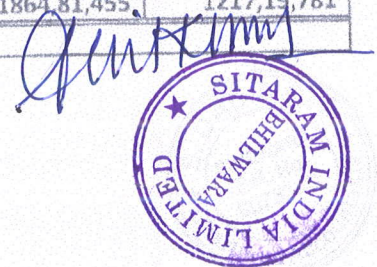
- (a) **Term Loan 1** - Sanctioned & Disbursed for Rs. 930 Lacs (Outstanding Balance - Rs 274.59 Lacs) bearing interest rate of 12.25% p.a. is repayable in 30 equal quarterly installments of Rs. 31 Lacs. The 1st installment will commence from 01.04.2010
- (b) **Term Loan 2** - Sanctioned & Disbursed for Rs. 2780 Lacs (Outstanding Balance - Rs 2741.37 Lacs) bearing interest rate of 12.45% p.a. is repayable in 29 equal quarterly ballooning installments starting from 01/06/2016. First 14 installments of Rs. 70.00 Lacs each & next 15 installments of Rs. 120.00 Lacs each.
- (c) **Term Loan 3** - Sanctioned & Disbursed for Rs. 120 Lacs (Outstanding Balance - Rs 79.00 Lacs) bearing interest rate of 12.40% p.a. is repayable in 20 equal quarterly installments of Rs. 6 Lacs each. The 1st installment will commence from 01.10.2014
- (d) **Term Loan 4** - Sanctioned & Disbursed for Rs. 120 Lacs (Outstanding Balance - Rs 55.70 Lacs) bearing interest rate of 12.40% p.a. is repayable in 19 equal quarterly installments. First 18 installments of Rs. 6.25 Lacs each & last installment of Rs. 7.50 Lacs. The 1st installment will commence from 01.04.2015
- Vehicle Loans:-** Vehicle loans are taken from SBI & Bank of Baroda, repayable in next 1 to 5 years. Loan from SBI & Bank of Baroda including current maturities are secured by way of hypothecation over vehicles. Out of the outstanding Loans of Rs. 31.55 Lacs, Rs. 7.23 Lacs will due in next 1 year
- Unsecured loans** are taken from Directors, Shareholders & Corporates. As Explained the same will become due for payment after a period of 1 year.

### 4 Deffered Tax Liabilities/Assets

Particulars		Current Year	Previous Year
Timing Difference Due to Depreciation		4996,23,481	1664,66,900
WDV as on 31/03/2015 (As Per Books)		14,87,981	14,87,981
Less: Value of Land		4981,35,500	1649,78,919
WDV as on 31/03/2015 (As per I.T.Act)		3561,72,626	1107,52,244
Timing Difference due to Depreciation Difference		1419,62,874	542,26,675
Deffered Tax Liability	(a)	<b>438,66,528</b>	<b>167,56,043</b>
Current Year Loss (01-04-14 to 31-03-15)		1272,45,667	-
Timing Difference Due to Brought Forward Losses as on 31/03/2015		-	-
Deffered Tax Assets	(B)	<b>393,18,911</b>	-
MAT Credit	(c)	47,37,628	9,55,487
Net Deffered Tax Liability/(Assets) upto 31/03/2014	(a-b-c)	(1,90,011)	158,00,556
Less: Opening Deffered Tax Liabilities		158,00,556	144,24,397
<b>Net Deffered Tax Liability/(assets) for the Current Year</b>		<b>(159,90,567)</b>	<b>13,76,159</b>

### 5 Short Term Borrowings

Particulars		Current Year	Previous Year
<b>Secured Loans</b>			
Overdraft facility from BOB		167,24,466	-
Cash Credit facility from BOB		1697,56,989	1217,19,781
<b>Total</b>		<b>1864,81,455</b>	<b>1217,19,781</b>





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## Notes and Terms & Condition of Loans:-

i	1) <b>Working Capital Facility</b> worth Rs. 20.00 crore taken from Bank of Baroda is secured by way of first charge over entire current assets of the company. Eg. Raw materials, semi finished & finished goods, stores and spares parts, book debts & other current assets of the company lying in factory premises or elsewhere in the name of M/s Swagat Synthetics Private Limited, Present & Future. & personally guaranteed by all the 3 Directors & 5 Relatives of the Directors of the Company, viz Jagdish Prasad Nuwal, Anil Kumar Nuwal, Madhusudan Nuwal, Jugal Kishore Nuwal, Kanta Devi Nuwal, Mamta Nuwal, Sangeeta Nuwal & Madhu Nuwal. Personal Guarantee of relatives of the Directors are restricted to the value of their property/security mortgaged to the bank. The Loan is Repayable on demand
ii	In addition to the above security, extension of charge over entire Fixed assets of the company (Present & Future)
iii	Overdraft Facility of Rs. 1.75 Crores is taken from Bank of Baroda and same is secured against the FDR

## 6 Trades Payable

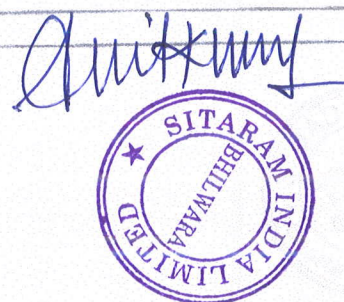
Particulars		Current Year	Previous Year
<u>Fabric Division</u>			
For Material		388,00,582	217,21,471
For Expenses & Others		141,42,317	134,64,029
For Capital Goods		3,50,517	16,01,635
Sub Total	(a)	532,93,416	367,87,135
<u>Toll Division</u>			
NHAI		290,02,277	-
Sub Total	(b)	290,02,277	-
<u>Real Estate Division</u>			
Society Fund Payable		69,402	1,66,563
Sub Total	(c)	69,402	1,66,563
Total	(a+b+c)	823,65,095	369,53,698

## 7 Other Current Liabilities

Particulars		Current Year	Previous Year
Current maturities of Term Loan		173,00,000	124,00,000
Current maturities of Car Loan		7,23,072	4,19,568
Duties & Taxes Payable		20,07,950	15,83,905
Expenses Payable		67,67,810	39,92,936
Total		267,98,832	183,96,409

## 9 Long Term Loans and Advances

		Current Year	Previous Year
Other Loans & Advances			
Security Deposits		26,86,390	21,41,544
Total		26,86,390	21,41,544





# Swagat Synthetics Private Limited

Note 8

## FIXED ASSETS SCHEDULE & DEPRECIATION CALCULATION AS PER COMPANIES ACT 2013

S. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As on 01.04.2014	Addition	Deduction	As on 31.03.2015	Up to 31.03.14	For the Year	Deduction/A adjustments	As on 31.03.2015	As on 31.03.2014
Fabric Division :-										
1	Land	14,87,981	-	-	14,87,981	-	-	-	14,87,981	14,87,981
2	Office Building	268,27,681	-	-	268,27,681	5,61,332	4,24,367	-	10,85,699	261,86,344
3	Factory Building	223,37,452	118,55,968	-	341,93,420	79,54,463	7,03,014	-	86,78,382	143,82,983
4	Plant & Machinery-Unit 1	2460,35,791	-	1106,61,546	1353,74,245	1265,62,534	158,19,336	819,17,166	604,64,704	1194,73,257
5	Plant & Machinery-Unit 2	-	3873,96,147	-	3873,96,147	-	264,99,822	-	264,99,922	-
6	Furniture & Fixtures*	14,48,478	68,929	-	15,17,407	7,22,220	1,43,369	55,690	9,21,279	7,26,258
7	Vehicles*	50,27,464	19,69,683	-	69,97,147	24,07,267	4,61,158	1,28,158	29,96,583	26,20,197
8	Computer	35,56,753	10,40,026	-	45,96,779	27,64,891	3,76,844	-	31,41,735	7,91,862
9	Office Equipments*	12,92,983	6,36,200	-	19,29,183	4,74,972	1,32,460	3,20,248	9,07,681	8,18,011
	TOTAL (a)	3080,14,583	4029,66,953	1106,61,546	6003,19,990	1415,47,684	445,61,370	824,21,262	1046,95,984	1664,66,899
11	Work in Progress (WIP)	50,28,114	68,27,854	118,55,968	-	-	-	-	-	50,28,114
	TOTAL (b)	50,28,114	68,27,854	118,55,968	-	-	-	-	-	50,28,114
Toll Division :-										
13	Computer-Toll	-	42,44,565	-	42,44,565	-	2,45,089	-	2,45,089	39,99,476
	TOTAL (c)	-	42,44,565	-	42,44,565	-	2,45,089	-	2,45,089	39,99,476
	TOTAL (a+b+c)	3130,42,697	4140,39,372	1225,17,514	6045,64,555	1415,47,684	448,06,459	824,21,262	1049,41,073	1714,95,013
	Previous Year's Figures	3174,84,068	414,01,641	125,79,472	3463,06,237	1381,08,954	145,82,125	111,43,396	1415,47,583	1793,75,114



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# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## 10 Inventories

Particulars	Current Year	Previous Year
<b><u>Fabric Division</u></b>		
Raw Material	732,79,501	477,60,719
Semi Finished Fabric	348,28,718	241,15,471
Finish Fabrics	1104,73,968	853,83,215
Stores & Spares & packing Material	61,04,132	20,41,320
	<b>2246,86,319</b>	<b>1593,00,725</b>
<b><u>Real Estate Division</u></b>		
Land & Building (Real estate)	100,18,456	100,18,456
<b>Total</b>	<b>2347,04,775</b>	<b>1693,19,181</b>

## 11 Trade Receivables

Particulars	Current Year	Previous Year
<b>Outstanding for more than six months</b>		
Unsecured, Considered Good	64,06,020	40,60,200
<b>Others</b>		
Unsecured, Considered Good :	841,99,662	690,52,138
<b>Total</b>	<b>906,05,682</b>	<b>731,12,338</b>

## 12 Cash & Bank

Particulars	Current Year	Previous Year
<b><u>Fabric Division</u></b>		
<b><u>Cash-in-Hand</u></b>		
Cash Balance	10,79,447	11,20,712
	<b>10,79,447</b>	<b>11,20,712</b>
<b><u>Bank Balance</u></b>		
In Current A/c HDFC Bank Ltd.	923	11,29,162
In Current A/c with ICICI Bank Ltd.	-	1,000
In Current A/c with Bank of Baroda	3,48,850	37,777
	<b>3,49,773</b>	<b>11,67,939</b>
<b>Sub Total (A)</b>	<b>14,29,220</b>	<b>22,88,651</b>
<b><u>Toll Division</u></b>		
<b><u>Cash-in-Hand</u></b>		
Cash Balance	42,514	-
	<b>42,514</b>	-
<b><u>Bank Balance</u></b>		
In Current A/c with Bank of Baroda	62,87,017	-
	<b>62,87,017</b>	-
<b>Sub Total (B)</b>	<b>63,29,531</b>	-
<b>Total [ A+B ]</b>	<b>77,58,751</b>	<b>22,88,651</b>

## 13 Short Terms Loans and Advances

Particulars	Current Year	Previous Year
Advance Recoverable in cash or in kind or for value to be considered good	5,50,604	28,31,589
Interest Receivable from Govt Authorities	188,72,077	5,86,234
Excise Duty Receivable	2,13,950	2,13,950
Income Tax Refundable	47,54,631	7,00,006
Advances for Capital Goods	33,77,869	332,63,600
Prepaid Expenses	2,75,380	1,69,400
<b>Total</b>	<b>280,44,511</b>	<b>377,64,779</b>





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## 14 Other Current Assets

Particulars	Current Year	Previous Year
<b>Fabric Division</b>		
Secured : Considered Good		
Fixed Deposit (Pledged with Bank of Baroda)	244,19,489	6,50,246
<b>Toll Division</b>		
Secured : Considered Good		
Fixed Deposit (Pledged with Bank of Baroda)	708,34,046	
<b>Total</b>	<b>952,53,535</b>	<b>6,50,246</b>

## 15 Revenue from Operations

Particulars	Current Year	Previous Year
<b>Fabric Division</b>		
Fabrics Sales (Net of Returns)	7195,87,407	5572,79,262
Job Weaving Charges	399,29,886	441,68,700
Grey Sales	143,68,994	-
<b>Sub Total (a)</b>	<b>7738,86,287</b>	<b>6014,47,962</b>
<b>Toll Division</b>		
Toll Receipts	3493,06,965	-
<b>Sub Total (b)</b>	<b>3493,06,965</b>	<b>-</b>
<b>RealEstate Division</b>		
Sale of Land/Flat	-	57,00,000
<b>Sub Total (c)</b>	<b>-</b>	<b>57,00,000</b>
<b>Total (a+b+c)</b>	<b>11231,93,252</b>	<b>6071,47,962</b>

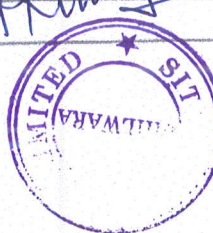
## 16 Other Income

Particulars	Current Year	Previous Year
Insurance Claim Received	17,136	91,191
Profit on Sale of Machinery	89,10,620	8,13,984
Interest Received	34,32,347	23,73,294
<b>Total</b>	<b>123,60,103</b>	<b>32,78,469</b>

## 17 Cost of Material Consumed

Particulars	Current Year	Previous Year
<b>PURCHASES AND CONSUMPTION OF RAW MATERIALS</b>		
Opening Stock	477,60,719	409,28,040
Add: Purchase (Net)	2935,51,533	2339,88,193
Add: Yarn expenses	77,825	1,08,465
Add: Freight	5,06,561	1,34,666
Less: Closing Stock	732,79,501	477,60,719
<b>Total</b>	<b>2686,17,137</b>	<b>2273,98,645</b>

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# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## 18 Details of Purchase of Traded Goods/Toll Expenses

Particulars		Current Year	Previous Year
<b>Fabric Division</b>			
Grey Fabric Purchase (Net)		69,23,956	62,87,760
Finish Fabric Purchase (Net)		2908,39,082	1657,45,030
<b>Sub Total</b>	<b>(a)</b>	<b>2977,63,038</b>	<b>1720,32,790</b>
<b>Toll Division</b>			
Toll Payment To NHAI		3342,03,471	-
<b>Sub Total</b>	<b>(b)</b>	<b>3342,03,471</b>	<b>-</b>
<b>Total</b>	<b>(a+b)</b>	<b>6319,66,509</b>	<b>1720,32,790</b>

## 19 Direct/ Production Overheads Expenses

Particulars		Current Year	Previous Year
<b>Fabric Division</b>			
Stores & Spares Consumed		43,00,117	40,59,947
Power & Fuel, Oil & Lubricants		297,01,940	206,66,353
Repairs & Maintenance (Plant & Machinery)		3,16,597	4,56,288
Other Manufacturing Exp.		2,54,131	1,77,951
Design & Development Expenses		5,21,430	2,11,902
Processing/ Job weaving Charges		514,33,257	390,88,553
Excise duty		-	40,01,582
	<b>a</b>	<b>865,27,472</b>	<b>686,62,576</b>
<b>Real Estate Division</b>			
Development Charges		2,72,980	10,89,959
	<b>b</b>	<b>2,72,980</b>	<b>10,89,959</b>
<b>Total</b>	<b>(a+b)</b>	<b>868,00,452</b>	<b>697,52,535</b>

## 20 Change in Inventories

Particulars		Current Year	Previous Year
<b>Opening Stock :</b>		<b>1195,17,142</b>	<b>1321,70,394</b>
Finish Goods		853,83,215	853,56,663
WIP		241,15,471	344,68,083
Land [real estate]		100,18,456	123,45,648
<b>Closing Stock :</b>		<b>1553,21,142</b>	<b>1195,17,142</b>
Finish Goods		1104,73,968	853,83,215
WIP		348,28,718	241,15,471
Land [real estate]		100,18,456	100,18,456
<b>Total</b>		<b>(358,04,000)</b>	<b>126,53,252</b>

## 21 Employment Benefit Expenses

Particulars		Current Year	Previous Year
<b>Fabric Division</b>			
Salary & wages		253,64,301	266,80,436
Contribution to Provident, ESI & Bonus		18,42,937	11,99,159
Office Staff Salary & Other Benefits		74,58,531	54,59,108
Director's Remuneration / Perquisites		33,21,000	29,88,000
	<b>a</b>	<b>379,86,769</b>	<b>363,26,703</b>



# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## Employment Benefit Expenses-Continued

Particulars		Current Year	Previous Year
<b>Toll Division</b>			
Salary & wages		42,70,134	-
Contribution to PF		2,65,586	-
	<b>b</b>	<b>45,35,720</b>	<b>-</b>
<b>Total</b>	<b>(a+b)</b>	<b>425,22,489</b>	<b>363,26,703</b>

## 22 Financial Cost

Particulars		Current Year	Previous Year
<b>Fabric Division</b>			
Interest on Cash Credit Facility		166,50,394	144,95,039
Interest on Term loan		189,01,235	75,22,900
Interest on Car loan		2,13,809	1,65,760
Interest paid to unsecured Loans		108,88,323	90,71,299
Interest paid to Creditors		38,45,834	4,58,163
Interest to others		9,189	-
Interest Receivable on TUFF		(190,71,205)	-
Bank Charges		9,62,636	9,53,013
		<b>324,00,215</b>	<b>326,66,174</b>
<b>Toll Division</b>			
Bank Charges		24,10,372	-
Interest paid to unsecured Loans & others		44,47,490	-
		<b>68,57,862</b>	<b>-</b>
<b>Total</b>		<b>392,58,077</b>	<b>326,66,174</b>

## 23 Depreciation & Amortization

Particulars		Current Year	Previous Year
<b>Fabric Division</b>			
Depreciation		445,61,370	145,82,125
<b>Sub total</b>	<b>(a)</b>	<b>445,61,370</b>	<b>145,82,125</b>
<b>Toll Division</b>			
Depreciation		2,45,089	-
<b>Sub total</b>	<b>(b)</b>	<b>2,45,089</b>	<b>-</b>
<b>Total</b>	<b>(a+b)</b>	<b>448,06,459</b>	<b>145,82,125</b>

## 24 Other Expenses

Particulars		Current Year	Previous Year
<b>Establishment Expenses</b>			
<b>Fabric Division</b>			
Repairs & Maintenance Vehicle		1,75,302	3,09,362
Telephone & Postage Expenses		3,82,583	3,44,993
Insurance Charges		4,39,198	3,92,283
Security Expenses		-	5,500
Repair & Maintenance Expenses (Computer)		3,61,285	1,73,076
<b>Auditors Remuneration</b>			
Audit Fees		35,000	27,000
Tax Audit Fees		15,000	10,000
Reimbursement of Expenses		10,000	8,000
Conveyance & Travelling		42,155	35,967
Office & Other Expenses		3,79,931	3,13,289
<b>Total</b>	<b>a</b>	<b>18,40,454</b>	<b>16,19,470</b>





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

Notes Forming Integral Part of Financial Statement as at 31st March, 2015

## Other Expenses- Continued

Particulars		Current Year	Previous Year
<b>Fabric Division-Continued</b>			
Printing & Stationery		4,67,854	4,30,461
Service Tax		1,12,012	15,573
Donation		50,100	45,500
Legal & Professional Expenses		4,89,532	5,87,766
Pollution Expenses		23,500	72,900
Rent		5,40,000	-
Sub total	a	35,23,452	27,71,670
<b>Toll Division</b>			
Office exp		1,22,876	-
Printing & Stationery		18,488	-
Power & Fuel, Oil & Lubricants		5,77,250	-
Sub total	b	7,18,614	-
<b>Selling &amp; Distribution Expenses</b>			
<b>Fabric Division</b>			
Rebate & Discounts		53,85,901	36,76,942
Sales Promotion Expenses		1,34,112	59,999
Sales Commission (Agency Commission)		75,61,324	68,92,051
Freight charges		5,61,753	7,25,223
Travelling Expenses		11,46,134	12,56,323
Packing Material Consumed		98,22,736	83,21,225
Sales Incentive		78,33,333	60,93,417
Advertisement & Publicity		24,266	17,220
Conference Expenses		17,71,224	26,94,932
Sub total	c	342,40,783	297,37,332
<b>Total</b>	<b>(a+b+c)</b>	<b>384,82,849</b>	<b>325,09,002</b>

## 25 Earning Per Share

The calculation of Earning Per Share (EPS) has been made in accordance with Accounting Standard-20. A statement on calculation of Basic and Diluted EPS is as under:-

Particulars	Current Year	Previous Year
Net Profit after taxation	911,11,808	85,71,802
Weighted average number of Equity Shares	47,51,996	41,34,000
Add: Dilutive Potential Equity Shares	-	-
No. of Equity Shares for Dilutive EPS	47,51,996	41,34,000
Nominal Value of Shares in Rs.	10	10
Basic Earning Per Shares in Rs.	6.55	2.07
Diluted Earning Per Shares in Rs.	6.55	2.07





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

## 26 Related Party Disclosure

### a List of related Parties

#### 1 Key Managerial Personnel

i Jagdish Prasad Nuwal	Chairman
ii Anil Kumar Nuwal	Director
iii Madhu Sudan Nuwal	Director

#### 2 Relatives of Key Managerials Personnel

i Jugal Kishore Nuwal	Director's Brother
ii Smt. Sangeeta Nuwal	Director's Wife
iii Smt. Madhu Nuwal	Director's Wife
iv Smt. Mamta Nuwal	Director's Wife
v Smt. Sunita Laddha	Chairman Daughter
vi Smt. Kanta Devi Nuwal	Chairman Wife
vii Harshit Nuwal	Director's Son

#### 3 Other Related Parties

i Jagdish Prasad Nuwal- HUF	Director's HUF
ii Anil Kumar Nuwal - HUF	Director's HUF
iii Madhu Sudhan Nuwal - HUF	Director's HUF
iv Sita Software Pvt. Ltd.	Associate Concern
v Exclusive.Com Pvt. Ltd	Associate Concern
vi Seezo Infotech Pvt. Ltd.	Associate Concern

b	Transaction With Related Parties	Key Managerial Personnel	Relatives of Key Managerials Personnel	Other Related Parties
	Revenue			
	Sales			2312,41,822
	Expenditure			
	Purchases			1931,03,048
	Remunerations	33,21,000	15,87,000	-
	Interest	15,18,171	5,50,274	54,55,878
	Rent	-	5,40,000	
	Allotement of Shares	-	-	132,00,000

## 27 Contingent Liabilities and Commitments (to the extent not provided for)

	Particulars	Current Year	Previous Year
	1. Contingent Liabilities		
	(a) Claims against the company not acknowledged as debt		
	Income Tax Demand	11,93,390.00	-





# Swagat Synthetics Private Limited

(CIN:2430RJ1987PTC004101)

28	Additional Information Pursuant to Provisions of Paragraphs 5 of Schedule III of the Companies Act, 2013 to the extent applicable to the company are as under (As certified & classified by the management): -			
Capacity & Production				
	Particulars		Current Year	Previous Year
	Installed Capacity			
	Looms	Nos.	72 Looms	92 Looms
	Production			
	Fabrics	Meter	78,88,945	85,20,382
	Raw Materials Consumed			
	Yarn	(Qty in Kg.)	16,45,195	13,03,262
		Amount	2940,58,094	2341,22,859
	Fabrics	(Qty in Mtr.)	28,40,546	18,01,611
		Amount	2908,39,082	1657,45,030
	Sales			
i	Fabrics	(Qty in Mtr.)	70,73,705	56,22,458
		(Amt in Rs.)	7195,87,407	5572,79,262
ii	Job Receipts	(Qty in Mtr.)	30,55,694	46,42,517
		(Amt in Rs.)	399,29,886	441,68,700
iii	Flats	Amount	-	57,00,000
iv	Toll Receipts	Amount	3493,06,965	-
	Closing Stock			
	Yarn	Kg.	3,59,523	2,67,611
		Amount	732,79,501	477,60,719
	Fabrics	Meter	14,14,103	11,98,836
		Amount	1435,67,086	1089,75,805
	Work-in Progress	Meter	1,57,782	55,626
		Amount	17,35,600	5,22,881
	Opening Stock			
	Yarn	Kg.	2,67,611	2,27,378
		Amount	477,60,719	409,28,040
	Fabrics	Meter	11,98,836	13,63,721
		Amount	1089,75,805	1191,26,786
	Work-in Progress	Meter	55,626	99,709
		Amount	5,22,881	6,97,960
	Value of Imports calculated on CIF Basis in respect of			
a	Capital Goods	Amount	3,230.02	80.64
b	Components & Spare Parts	Amount	47.87	-



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# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

29 AS PER ACCOUNTING STANDARD (AS) 17 ON "SEGMENT REPORTING, SEGMENT INFORMATION HAS BEEN PROVIDED AS UNDER

## Primary / Secondary Segment

The risk return profile of the Company's business is determined predominantly by the nature of its products and services. Accordingly, the business segments constitute the primary segments for disclosure of segment information. There is no reportable geographical segment either.

## Segment composition

The Company operates mainly in three segments i.e. Textile, Toll Plaza & Real Estate. Textile segment of the company comprises production of fabric on Powerlooms. Toll Plaza segment of the Company comprises of collection of user fees by the Company in accordance with the contracts entered into by the company with the National Highway Authorities of India. Real Estate segment of the company comprises of purchases, development, construction and sale of residential/commercial properties

Particulars	Current Year				Previous Year			
	Rs. in Lacs				Rs. in Lacs			
	Textile	Toll Plaza	Real Estate	Total	Textile	Toll Plaza	Real Estate	Total
<b>Primary Segment</b>								
<b>Segment Revenue</b>								
External Sales	7,738.86	3,493.07	-	11,231.93	6,014.48	-	57.00	6,071.48
Other Income	123.60	-	-	123.60	32.78	-	-	32.78
<b>Total Revenue</b>	<b>7,862.46</b>	<b>3,493.07</b>		<b>11,355.53</b>	<b>6,047.26</b>		<b>57.00</b>	<b>6,104.26</b>
<b>Segment Result</b>								
Profit or Loss Before Tax & Interest	488.30	96.04	(2.73)	581.61	428.89	-	22.83	451.71
Interest expense (Net)	324.00	68.58	-	392.58	326.66	-	-	326.66
Profit or Loss Before Tax	164.30	27.46	(2.73)	189.03	-	-	-	125.05
Less: Tax Expenses				(122.08)				39.33
Net Profit				311.12				85.72
<b>Other Information</b>								
Segment Assets	6,003.20	748.34		6,751.54	3,130.43	-		3,130.43
Segment Liabilities	3,829.56	942.66		4,772.22	1,334.67			1,334.67
Capital Employed	2,173.64	(194.33)		1,979.32	1,795.75	-		1,795.75
Capital Expenditure Incurred During the year	4,029.67	42.45		4,072.12	31.10			31.10
Depreciation (Included in Segment Expenses)	445.01	2.45		448.06	145.82			145.82

30 Dues to Micro & Small Enterprises as defined under the MSMED Act 2006

The company has initiated the process of obtaining confirmations from the suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the Company, no balance is due to Micro & Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2015. Further during the year no interest has been paid or payable under the terms of the said Act as Issued by the institute of chartered accountants of India.

31 The figures of the previous period have been re-grouped / re-arranged and / or recast wherever found necessary

32 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

As per Our report on even date

For S.Dad & Co.

Chartered Accountants

Firm Regn No. 007534C

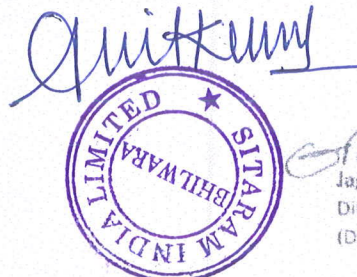
Sanjay Dad

Partner

Membership No. 076334

Date: 25th August 2015

Place: Bhilwara



Jagdish Prasad Nuwal

Director

(DIN no 00172049)

Madhusudan Nuwal

Director

(DIN no 00212341)

For and on Behalf of the Board

Handwritten signature of Anil Nuwal

Anil Nuwal

Managing Director

(DIN no 00096471)



# SWAGAT SYNTHETICS PRIVATE LIMITED

(CIN: U2430RJ1987PTC004101)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	PARTICULARS	Current Year	Previous Year
A	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit before Tax	189,03,382	125,05,205
	Adjustment for : (Non Cash and Non Operating items)		
	Add: Depreciation	448,06,459	145,82,125
	Add: Finance Cost	392,58,077	317,13,161
	Less: Other Income	(34,49,483)	(91,191)
	Less: Profit on Sale of Fixed Assets	(89,10,620)	(8,13,984)
	<b>Operating Profit before Working Capital Changes</b>	<b>906,07,815</b>	<b>578,95,316</b>
	Adjustment for :		
	(Increase)/Decrease in Trade Receivable	(174,93,344)	(145,02,073)
	(Increase)/Decrease in Inventories	(653,85,594)	46,79,253
	(Increase)/Decrease in Short term Loans & Advances	97,20,268	(282,41,854)
	Increase/(Decrease) in Trade Payables	454,11,398	76,51,735
	Increase/(Decrease) in Other Payables	84,02,423	9,07,066
	Increase/(Decrease) in other Current Assets	(946,03,289)	(87,791)
	<b>Total Adjustments</b>	<b>(233,40,323)</b>	<b>283,01,652</b>
	<b>Cash Generated from Operation before Tax</b>	<b>(233,40,323)</b>	<b>283,01,652</b>
	Less: Income Tax Paid	37,82,141	25,57,244
	<b>Net Cash generated from Operating Activities (A)</b>	<b>(271,22,464)</b>	<b>257,44,408</b>
B)	<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
	Purchase of Fixed Assets	(4021,83,404)	(81,38,041)
	Sale Consideration of Fixed Assets	376,55,000	22,50,000
	Other Income	34,49,483	91,191
	<b>Net cash generated/(used) in Investing Activity (B)</b>	<b>(3610,78,922)</b>	<b>(57,96,850)</b>
C)	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Equity Capital raised during the year	86,50,000	
	Increase/(Decrease) in Share Premium	205,36,700	
	Increase/(Decrease) in Long term Borrowing	3395,26,034	122,74,476
	Increase/(Decrease) in Short term Borrowing	647,61,674	3,62,681
	(Increase)/Decrease in Long Term Loans & Advances/other non current Assets	(5,44,846)	
	Less: Interest Paid	(392,58,077)	(317,13,161)
	<b>Net Cash generated/(used) in Financing Activities(C)</b>	<b>3936,71,485</b>	<b>(190,76,003)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>54,70,099</b>	<b>8,71,554</b>
	Cash & Cash Equivalents - Opening Balance	22,88,651	14,17,096
	Cash & Cash Equivalents - Closing Balance	<b>77,58,751</b>	<b>22,88,651</b>

### Notes on Accounts & Significant Accounting policies

As per Our report attached on even date

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants

Sanjay Dad

Partner

Membership No. 076334

Date: 25th August 2015

Place: Bhilwara

For and on Behalf of the Board

Jagdish Prasad Nuwal

Director

(DIN no 00172049)

Anil Nuwal

Managing Director

(DIN no 00096471)

Madhusudan Nuwal

Director

(DIN no 00212341)





# Swagat Synthetics Private Limited

(CIN: U2430RJ1987PTC004101)

## Annexure I

### SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Preparation of Financial Statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis (unless otherwise stated hereinafter). GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, the provisions of the Act (to the extent notified). These accounting policies have been consistently applied by the company with those used in previous year.

#### Fixed Assets

- Fixed assets are stated at cost, net of Cenvat/ VAT, if any, less accumulated depreciation. Cost includes freight, duties and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for capital expenditure and other administrative expenses.
- Capital Work in Progress includes incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets.

#### Depreciation

Depreciation has been provided based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013. Depreciation on addition/disposal is provided pro-rata with reference to the month of addition/disposal.

#### Revenue Recognition:

- Sale of good is recognized at the point of dispatch to customers.
- Other Incomes are accounted for on accrual basis except where the receipt of Income is uncertain.
- Insurance claims are accounted for in the year of lodgment to the extent they are measurable and any shortfall/excess is adjusted on receipt of the final claim.

#### Inventories

Inventories are valued at lower of cost or net realizable value, after providing for obsolescence and damages as follows (as taken, valued & certified by Management): -

Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis
Finished goods	At cost, plus appropriate production overheads, including excise duty paid/ payable on such goods if applicable.
Material in Process	At Cost, plus appropriate production overheads.

#### Borrowing Cost:

Borrowing costs relating to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

