



## **RAGHUVIR SYNTHETICS LIMITED**

NR. GUJARAT BOTTLING, RAKHIAL ROAD,  
RAKHIAL, AHMEDABAD-380 023 (INDIA)

PHONE: 079-22910963-1015-1902

E-mail: [info@raghuvir.com](mailto:info@raghuvir.com)

Website Address: [www.raghuvir.com](http://www.raghuvir.com)



# **40<sup>TH</sup> Annual Report 2021-22**

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## **Corporate Information**

### **BOARD OF DIRECTORS:**

MR. SUNIL R. AGARWAL  
MR. YASH S. AGARWAL  
MR. HARDIK S. AGARWAL  
MRS. PAMITA S. AGARWAL  
MR. NISHITBHAI C. JOSHI  
MR. ANUP R. AGARWAL  
MR. SAMIRBHAI R. SHETH  
MR. KAMALBHAI B. PATEL

CHAIRMAN & MANAGING DIRECTOR  
JOINT MANAGING DIRECTOR  
JOINT MANAGING DIRECTOR  
NON-EXECUTIVE DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR  
INDEPENDENT DIRECTOR

### **CHIEF FINANCIAL OFFICER:**

MR. PRATEEK PAREEK (APPOINTED W.E.F. 03.06.2022)  
MR. VIKRAM R. GUPTA (RESIGNED W.E.F. 03.01.2022)

### **COMPANY SECRETARY & COMPLIANCE OFFICER:**

MRS. SWATI JAIN (APPOINTED W.E.F 24.07.2021)  
MS. PRATIKA P. BOTHRA (RESIGNED W.E.F 24.07.2021)

### **STATUTORY AUDITORS:**

M/S. ASHOK K. BHATT & CO.

### **SECRETARIAL AUDITOR:**

M/S. SPAN & CO. COMPANY SECRETARIES LLP

### **INTERNAL AUDITOR:**

MR. KIRITKUMAR K. PATADIA

### **BANKER:**

HDFC BANK LIMITED

### **REGISTRAR AND SHARE TRANSFER AGENTS:**

M/S. LINK INTIME INDIA PRIVATE LIMITED  
ADDRESS: 506 TO 508, AMARNATH BUSINESS CENTRE-1, BESIDE GALA BUSINESS CENTRE, NR. ST. XAVIER'S COLLEGE CORNER, OFF. CHIMANLAL GIRDHARLAL RD., SARDAR PATEL NAGAR, ELLISBRIDGE, AHMEDABAD-380006, GUJARAT, INDIA  
CONTACT: 079-26465179  
EMAIL ID: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

### **REGISTERED OFFICE & FACTORY:**

M/S. RAGHUVIR SYNTHETICS LIMITED  
ADDRESS: NR. GUJARAT BOTTLING, RAKHIAL ROAD, RAKHIAL, AHMEDABAD-380023, GUJARAT, INDIA  
CONTACT: 079-22910963-1015-1902  
EMAIL ID: [info@raghuvir.com](mailto:info@raghuvir.com)  
WEBSITE: [www.raghuvir.com](http://www.raghuvir.com)

## **NOTICE OF THE 40<sup>TH</sup> ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT THE 40<sup>TH</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF RAGHUVIR SYNTHETICS LIMITED WILL BE HELD ON MONDAY, 26<sup>TH</sup> DAY OF SEPTEMBER, 2022 AT 12.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT RAKHIAL ROAD, RAKHIAL, AHMEDABAD - 380023, GUJARAT TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESS:**

#### **1) ADOPTION OF STANDALONE FINANCIAL STATEMENTS**

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and Auditors thereon, be and are hereby considered and adopted.”

#### **2) ADOPTION OF CONSOLIDATED FINANCIAL STATEMENTS**

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Report of Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Report of and Auditors thereon, be and are hereby considered and adopted.”

#### **3) RE-APPOINTMENT OF MR. YASH SUNIL AGARWAL AS A DIRECTOR, WHO RETIRES BY ROTATION**

To appoint a Director in place of Mr. Yash Sunil Agarwal (DIN: 02170408), who retires by rotation and being eligible, offers himself for re-appointment. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Yash Sunil Agarwal (DIN: 02170408), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company.”

#### **4) APPROVAL FOR APPOINTMENT OF STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION**

To appoint M/s. G. K. Choksi & Co., Chartered Accountants, having FRN: 101895W, Ahmedabad as the Statutory Auditors of the Company. To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended

from time to time and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. G. K. Choksi & Co., Chartered Accountants, having FRN: 101895W, Ahmedabad, be and are hereby appointed as Statutory Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of the 40<sup>th</sup> Annual General Meeting until the conclusion of 45<sup>th</sup> Annual General Meeting of the Company, at such remuneration plus reimbursement of out-of-pocket and other incidental expenses in connection with the audit, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.."

#### **SPECIAL BUSINESS:**

**5) CONFIRMATION AND RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITOR APPOINTED BY THE BOARD OF DIRECTORS OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, as amended from time to time and on basis of the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the members hereby confirm and ratify remuneration of Rs.30,000/- (Rupees Thirty Thousand only) exclusive of applicable taxes thereon and reimbursement of out-of-pocket expenses as may be incurred in connection with the cost audit, to be paid to M/s. Anuj Aggarwal & Co., Cost Accountants (FRN: 102409) who have been appointed by the Board as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2023.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds or things, as may be considered necessary, desirable and expedient, in order to give effect to the aforesaid resolution."

**6) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH DREAMSOFT BEDSHEETS PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/

empowered by the Board, from time to time, to exercise its powers conferred by this resolution), to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with Dreamsoft Bedsheets Private Limited ("DBPL"), Subsidiary of the Company, a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate value of up to Rs.50 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between the Company and DBPL, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to and perform all such acts, deeds, matters and things, as may be necessary and as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**7) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of

Directors of the Company (hereinafter referred to as “Board” which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution), to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with HYS Industries Private Limited (“HYSI”), a “Related Party” under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.150 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between the Company and HYSI, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to and perform all such acts, deeds, matters and things, as may be necessary and as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**8) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED FOR THE FINANCIAL YEAR 2022-2023**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, (“Listing Regulations”), the applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions (“RPTs”) and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on

basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution), to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with Raghuvir Exim Limited ("REL"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.400 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between the Company and REL, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to and perform all such acts, deeds, matters and things, as may be necessary and as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**9) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s)



thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution), to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with HYS Developers LLP ("HYSD"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.150 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between the Company and HYSD, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to and perform all such acts, deeds, matters and things, as may be necessary and as it may deem fit at its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary documents, contract(s), scheme(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions herein conferred to, without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**10) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date,

("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution) of Dreamsoft Bedsheets Private Limited (DBPL), a subsidiary of the Company, to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with Raghuvir Exim Limited ("REL"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.30 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between DBPL and REL, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**11) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the

Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution) of Dreamsoft Bedsheets Private Limited (DBPL), a subsidiary of the Company, to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with HYS Industries Private Limited ("HYSI"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.200 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between DBPL and HYSI, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**12) APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include the Audit Committee of the Company and any duly authorized Committee of Directors constituted/ empowered by the Board, from time to time, to exercise its powers conferred by this resolution) of Dreamsoft Bedsheets Private Limited (DBPL), a subsidiary of the Company, to enter into and/or to carry out and/or to continue the Related Party Transaction(s)/ Contract(s)/ Arrangement(s)/ Agreement(s) with

HYS Developers LLP ("HYSD"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of up to Rs.100 Crores only for the FY 2022-23 in the nature of:-

- a) Sale of Goods and Services, Stores and Spares, Fixed Assets;
- b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and
- c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement.

on such terms and conditions as mentioned in the explanatory statement to this resolution and as may be mutually agreed between DBPL and HYSD, provided that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

**13) RATIFICATION OF MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED ENTERED DURING THE FINANCIAL YEAR 2021-2022**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, as amended and issued from time to time, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Related Party Transactions ("RPTs") and on basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the members of the Company do hereby ratify the transactions with HYS Industries Private Limited ("HYSI"), a "Related Party" under Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations for an aggregate value of Rs.45.03 Crores only for the FY 2021-22 in the nature of purchase of Goods carried out in ordinary course of business at arm's length Prices as per terms and conditions mutually agreed between the Company and HYSI and mentioned in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** Board, be and is hereby authorized to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other Officer(s) / Authorized Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution(s).

**RESOLVED FURTHER THAT** all actions taken by the Board or any other person so authorized by the Board, in connection with any matter referred to or contemplated in this resolution, be and are hereby

approved, ratified and confirmed in all respects.”

**14) APPROVAL OF THE REMUNERATION TO MR. SUNIL RAGHUBIRPRASAD AGARWAL, CHAIRMAN & MANAGING DIRECTOR, FOR THE PERIOD FROM 01.04.2022 TO 30.06.2022**

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

**“RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or amendments(s) or re-enactments(s) thereof, for the time being in force), on the recommendation and approval of the Nomination & Remuneration Committee and the Board, the members do hereby approve and ratify the remuneration of Rs.30 Lakh per month (basic + other allowances) to Mr. Sunil Raghbirprasad Agarwal (DIN: 00265303), Chairman & Managing Director of the Company for part of his tenure of appointment i.e. period of 3 months from 01.04.2022 to 30.06.2022.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including Committee thereof) be and is hereby authorized to do all such acts, deeds or things, as may be considered necessary, desirable and expedient, in order to give effect to the aforesaid resolution.”

**15) APPROVAL TO GIVE LOAN OR GUARANTEE, PROVIDE SECURITY AND MAKE INVESTMENT IN ACCORDANCE WITH SECTION 186 OF THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any Committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs.300 Crores only over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (including a Committee thereof, if any, constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution and to make, sign and execute, on behalf of the Company,

such deed, documents, agreements, undertakings and all other necessary papers as may be required; to accept modifications to the same as may be necessary and to do all such acts, deeds and things that may be required or considered necessary or incidental for the same;

**RESOLVED FURTHER THAT** the Managing Directors and/ or the Company Secretary of the Company be and are hereby severally authorized to file necessary forms with the Registrar of Companies, to make necessary entries in the Statutory Registers of the Company and to do all such acts/ deeds/ things as may deem fit to give effect to this resolution.”

**16) APPROVAL TO BORROW IN EXCESS OF LIMIT PRESCRIBED IN SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

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

**“RESOLVED THAT** pursuant to Section 180(1)(c) of the Companies Act, 2013 (“the Act”) and rules made thereunder and other applicable provisions, if any, of the Act and of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Company to borrow any sums of money together with the monies already borrowed, in excess of the aggregate of the paid-up share capital, free reserves and securities premium account, but, not more than Rs.100 Crore only for the purpose of business of the Company.

**RESOLVED FURTHER THAT** the sums of money mentioned in aforementioned resolution do not include the amount borrowed as temporary loans from the Company’s bankers in the ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds or things, as may be considered necessary, desirable and expedient, in order to give effect to the aforesaid resolution.”

**By Order of the Board of Directors  
For, Raghuvir Synthetics Limited**

**Date: 25/08/2022**

**Place: Ahmedabad**

**Sunil R. Agarwal  
(Chairman & Managing Director)  
DIN: 00265303**

**Registered Office:-  
Rakhial Road, Rakhial,  
Ahmedabad-380023, Gujarat  
CIN: L17119GJ1982PLC005424  
E-mail ID: [info@raghuvir.com](mailto:info@raghuvir.com)  
Website: [www.raghuvir.com](http://www.raghuvir.com)  
Tel.: +91 079 29911015**

## **NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 2) Proxy Forms, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
- 3) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- 4) The Register of Members and Share Transfer Books of the Company will remain close from 20<sup>th</sup> September, 2022 to 26<sup>th</sup> September, 2022 (both days inclusive) for the purpose of the 40<sup>th</sup> Annual General Meeting of the Company.
- 5) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.-  
**For shares held in electronic form:** to their Depository Participants (DPs)  
**For shares held in physical form:** to the Company/Registrar and Transfer Agent ("RTA") at M/S. Link Intime India Private Limited, 506 To 508, Amarnath Business Centre-1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. Chimanlal Girdharlal Rd., Sardar Patel Nagar, Ellisbridge, Ahmedabad-380006, Gujarat, India in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021.
- 6) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.raghuvir.com](http://www.raghuvir.com) and on the website of the Company's RTA at [www.linkintime.co.in](http://www.linkintime.co.in). It may be noted that any service request can be processed only after the folio is KYC Compliant.
- 7) SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or the RTA, for assistance in this regard.

- 8) The facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website at [www.raghuvir.com](http://www.raghuvir.com) and on the website of the Company's RTA at [www.linkintime.co.in](http://www.linkintime.co.in). Members are requested to submit the said details to their Depository Participant in case the shares are held by them in dematerialized form and to the Company/ the RTA in case the shares are held in physical form.
- 9) Notice of the AGM along with the Annual Report for the Financial Year 2021-22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. In furtherance of the Green Initiative, physical copy of the Notice of the AGM along with the Annual Report is being sent by the permitted modes to those Members whose e-mail addresses are not registered. Members may note that the Notice and Annual Report will also be available on the Company's website at [www.raghuvir.com](http://www.raghuvir.com), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
- 10) Members desiring any information on Accounts are requested to write to the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided at the meeting.
- 11) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to bring their copies of Annual Report and the attendance slip at the Annual General Meeting.
- 12) Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio No. in the attendance slip for attending the meeting.
- 13) Members are requested to contact the Company's RTA, for reply to their queries/ redressal of complaints, if any, at M/S. Link Intime India Private Limited, 506 To 508, Amarnath Business Centre-1, Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. Chimanlal Girdharlal Rd., Sardar Patel Nagar, Ellisbridge, Ahmedabad-380006, Gujarat, India or e-mail at [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in).
- 14) The SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7<sup>th</sup> September, 2020, has fixed 31<sup>st</sup> March, 2021 as the Cut-off date for re-lodgement of Transfer Deeds and any request received after 31<sup>st</sup> March, 2021 cannot be accepted unless the securities are held in dematerialized form.
- 15) The Registers under the Companies Act, 2013 will be available for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm on all working days except on holidays. The said Registers will also be available for inspection by the members at the AGM.
- 16) Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its RTA or the concerned Depository Participant, as the case may be, immediately of:-
- The change in the residential status on return to India for permanent settlement.
  - The particulars of the NRE account with a Bank in India, if not furnished earlier.



- 17) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item Nos. 4 to 16 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also given below:

The Directors have furnished the requisite declaration with other details provided as under for their re-appointment at the ensuing Annual General Meeting and is eligible, to offer themselves for re-appointment:

<b>Name</b>	<b>Mr. Yash Sunil Agarwal</b>
<b>DIN</b>	02170408
<b>Age as on 31<sup>st</sup> March, 2022</b>	33 Years
<b>Qualification &amp; Experience</b>	He has an experience of more than 10 years in the Textile Industry
<b>Relationship with other Directors/ Manager/KMP</b>	He is Son of Mr. Sunil R. Agarwal & Mrs. Pamita S. Agarwal & Brother of Mr. Hardik S. Agarwal
<b>Remuneration sought to be paid</b>	Remuneration of Mr. Yash S. Agarwal has been waived off
<b>Date of first appointment on the Board</b>	08/07/2011
<b>List of Directorship in other Company / Committees membership in other Companies as on 31<sup>st</sup> March, 2022</b>	1) Raghuvir Exim Limited 2) The Sagar Textile Mills Private Limited 3) Hys Industries Private Limited 4) H. Dev Chemical Private Limited 5) White Water Exim Private Limited 6) Dreamsoft Bedsheets Private Limited He holds no membership of any Board Committee of any Company.
<b>No. of meeting attended during the year</b>	14 out of 15 meetings were attended during the FY 2021-22
<b>No. of shares held as on 31<sup>st</sup> March, 2022</b>	43,92,030 Equity Shares
<b>Terms and Conditions of appointment or re-appointment</b>	Re-appointment is as per the provisions of the Companies Act, 2013

18) **THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

The Company is pleased to offer e-voting facility to all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote by electronic means and the Company may pass any resolution by electronic voting system in accordance with the above provisions.

In terms of the **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode

are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**A. Pursuant to above SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:**

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

	authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**B. Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form:**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the Company i.e. **220825044** to vote.
- 11) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

**C. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [info@raghuvir.com](mailto:info@raghuvir.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company at [info@raghuvir.com](mailto:info@raghuvir.com) and RTA email id at [ahmedabadlinkintime.co.in](mailto:ahmedabadlinkintime.co.in) or in physical form to RTA at M/S. Link Intime India Private Limited, 506 To 508, Amarnath Business Centre-1, Beside Gala Business Centre, Nr. St. Xavier’s College Corner, Off. Chimanlal Girdharlal Rd., Sardar Patel Nagar, Ellisbridge, Ahmedabad-380006, Gujarat, India.**
2. For Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders- Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

**COMMENCEMENT OF E-VOTING PERIOD AND OTHER E-VOTING INSTRUCTIONS**

- (i) The e-voting period commences on 23<sup>rd</sup> September, 2022 at 9.00 a.m. and ends on 25<sup>th</sup>

September, 2022 at 5.00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on cut-off date of 19<sup>th</sup> September, 2022 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- (ii) The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company.
- (iii) The shareholder who voted prior to the 40<sup>th</sup> Annual General Meeting via e-voting would not be entitled to vote at the meeting venue.
- (iv) The Board of Directors has appointed Mr. Premnarayan Ramanand Tripathi, Proprietor of M/s. PRT & Associates, Practicing Company Secretary, Ahmedabad, having COP NO. 10029 as the Scrutinizer to scrutinize the e-voting process as well as voting during the AGM in a fair and transparent manner for the 40<sup>th</sup> Annual General Meeting of the Company.
- (v) The Scrutinizer shall, immediately after the conclusion of the voting at the AGM, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast (votes cast during the AGM and votes cast prior to the AGM) in favour or against, if any, to the Chairman of the Company, who shall counter sign the same.
- (vi) The Results shall be declared on the date of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.raghuvir.com](http://www.raghuvir.com) and on the website of CDSL [www.evotingindia.co.in](http://www.evotingindia.co.in) within two days of the passing of the resolutions at the AGM of the Company and communicate to the Stock Exchange(s), where the shares of the Company are listed.
- (vii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

#### **VOTING AT ANNUAL GENERAL MEETING:-**

The members attending the meeting, who have not already cast their vote by remote e-voting, can exercise their voting rights at the 40<sup>th</sup> Annual General Meeting of the Company. Facility for voting through ballot paper shall also be made available at the AGM.

<b>CONTACT DETAILS</b>	
<b>Company</b>	RAGHUVIR SYNTHETICS LIMITED
<b>Registrar and Transfer Agent (RTA)</b>	M/S. LINK INTIME INDIA PRIVATE LIMITED 506 TO 508, AMARNATH BUSINESS CENTRE-1, BESIDE GALA BUSINESS CENTRE, NR. ST. XAVIER'S COLLEGE CORNER, OFF. CHIMANLAL GIRDHARLAL RD., SARDAR PATEL NAGAR, ELLISBRIDGE, AHMEDABAD-380006, GUJARAT, INDIA Email : <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Contact: 079-26465179
<b>E-voting Agency</b>	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED E-mail: <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> Contact: 1800 22 55 33

<b>Scrutinizer</b>	Mr. Premnarayan Ramanand Tripathi, Proprietor of M/s. PRT & Associates, Practicing Company Secretary 606, 6 <sup>th</sup> Floor, Shivalik Square, Nr. Adani CNG Pump, 132 Ft. Ring Road, New Vadaj, Ahmedabad - 380013, Gujarat, India Contact: 8980026497 Email: <a href="mailto:csprtandassociates@gmail.com">csprtandassociates@gmail.com</a>
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**By Order of the Board of Directors  
For, Raghuvir Synthetics Limited**

**Date: 25/08/2022  
Place: Ahmedabad**

**Sunil R. Agarwal  
(Chairman & Managing Director)  
DIN: 00265303**

**Registered Office:-  
Rakhial Road, Rakhial,  
Ahmedabad-380023, Gujarat  
CIN: L17119GJ1982PLC005424  
E-mail ID: [info@raghuvir.com](mailto:info@raghuvir.com)  
Website: [www.raghuvir.com](http://www.raghuvir.com)  
Tel.: +91 079 29911015**

## **EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013**

THE FOLLOWING STATEMENT, AS REQUIRED UNDER THE SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') AND THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED ('SEBI LISTING REGULATIONS'), SETTING OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS PROPOSED TO BE TRANSACTED UNDER ITEM NOS. 4 TO 16 OF THE ACCOMPANYING NOTICE

### **ITEM NO. 4: APPROVAL FOR APPOINTMENT OF STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION**

At the 35<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 28<sup>th</sup> September, 2017, the shareholders had approved the appointment of M/s. Ashok K. Bhatt & Co., Chartered Accountants, having Firm Registration No. 100657W, as the Statutory Auditors of the Company, to hold office till the conclusion of the 40<sup>th</sup> AGM of the Company to be held in the year 2022. Accordingly, the term of M/s. Ashok K. Bhatt & Co. is expiring in the ensuing AGM. Hence, new Statutory Auditor is required to be appointed in the ensuing AGM.

The Company has approached M/s. G. K. Choksi & Co., Chartered Accountants, having FRN: 101895W, for their appointment as Statutory Auditor of the Company. The Audit Committee of the Company, after due deliberations and discussions, recommended to the Board the appointment of M/s. G. K. Choksi & Co. as Statutory Auditors of the Company for a term of 5 (five) years to hold office from the conclusion of this 40<sup>th</sup> AGM till the conclusion of the 45<sup>th</sup> AGM of the Company.

Based on recommendations of the Audit Committee, the Board of Directors at their meeting held on 25<sup>th</sup> August, 2022, approved the appointment of M/s. G. K. Choksi & Co., as the Statutory Auditors of the Company for a term of 5 (five) years i.e. from the conclusion of this 40<sup>th</sup> AGM till the conclusion of the 45<sup>th</sup> AGM of the Company. The appointment is subject to approval of the shareholders of the Company.

M/s. G. K. Choksi & Co. has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. The proposed remuneration to be paid to M/s. G. K. Choksi & Co., for FY 2022-23 is Rs.3,00,000/- (Rupees Three Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses. The Audit Committee and the Board is of the view that Rs.3,00,000/- (Rupees Three Lakhs only) is reasonable audit fee considering the size and scale of business of the Company. The remuneration to be paid to Statutory Auditors for the remaining term i.e. from FY 2023-24 through FY 2026-27 (till the conclusion of the 45<sup>th</sup> AGM of the Company to be held in the year 2027), shall be mutually agreed between the Board of Directors and the Statutory Auditors, from time to time.

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

The Board recommends passing of the Resolution set out in Item No. 4 of the accompanying Notice for the approval of the Members as an **Ordinary Resolution**.

### **ITEM NO. 5: CONFIRMATION AND RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITOR APPOINTED BY THE BOARD OF DIRECTORS OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23**

In accordance with the provisions of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its Cost Records audited from a qualified Cost Accountant. The Board of Directors at its meeting held on 25<sup>th</sup> August, 2022, on the recommendation of the Audit Committee, approved the appointment and



remuneration of M/s. Anuj Aggarwal & Co., Cost Accountants (FRN- 102409), to conduct the audit of the cost records of the Company for the financial year 2022-23. In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to confirm and ratify the remuneration payable to the Cost Auditor for the financial year 2022-23 as set out in the resolution for aforesaid services to be rendered by them. The Board of Directors recommends the resolution at Item No. 5 of this Notice for your approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set-out at Item No. 5.

Accordingly, the Board recommends passing of the Resolution set out in Item No. 5 of the accompanying Notice as an **Ordinary Resolution**.

**ITEM NO. 6: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH DREAMSOFT BEDSHEETS PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023**

Dreamsoft Bedsheets Private Limited (DBPL) is a Subsidiary of the Company. As part of Raghuvir Group Strategy, the Company is proposing to enter into various transactions with DBPL *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Company.

Pursuant to the provisions of the Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with DBPL for an aggregate value of up to Rs.50 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions with DBPL, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Dreamsoft Bedsheets Private Limited is a Subsidiary of the Company
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.50 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT	~23.20
1.5	Justification as to why RPT is in interest of the Company	As a part of your Company's Strategy, your Company enters into transactions with other group entities which not only help smoothen business operations of the companies, inter-se, but also ensures consistent flow of desired quality and quantity of products, services and facilities without interruptions and generation of revenue and business enhancement.
2	<b>Information to shareholders</b>	
2.1	Name of the related party	Dreamsoft Bedsheets Private Limited
2.2	Nature of relationship	Subsidiary of the Company
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and	NA

	repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.  The Company and DBPL have the following common Directors: Mr. Sunil Raghuvirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 6 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

#### **ITEM NO. 7: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023**

HYS Industries Private Limited (HYSI) is a group company. As part of Raghuvir Group Strategy, the Company is proposing to enter into various transactions with HYSI *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Company.

Pursuant to the provisions of the Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary

information, has granted approval for entering into RPTs with HYSI for an aggregate value of up to Rs.150 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions with HYSI, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	HYS Industries Private Limited is a company in which Director or his relative is a Member or Director
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.150 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT	~69.61
1.5	Justification as to why RPT is in interest of the Company	HYSI has a good relations with suppliers and export buyers. They can supply quality goods at reasonable cost to us. The Company can supply them goods for their export or local supply.
2	<b>Information to shareholders</b>	
2.1	Name of the related party	HYS Industries Private Limited
2.2	Nature of relationship	HYSI is a company in which Director or his relative is a Member or Director

2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	NA
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.  The Company and HYSI have the following common Directors: Mr. Sunil Raghubirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 7 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

#### **ITEM NO. 8: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED FOR THE FINANCIAL YEAR 2022-2023**

Raghuvir Exim Limited (REL) is a group company. As part of Raghuvir Group Strategy, the Company is proposing to enter into various transactions with REL *inter alia* including purchase and sale of required goods, rendering

and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Company.

Pursuant to the provisions of the Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with REL for an aggregate value of up to Rs.400 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions with REL, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Raghuvir Exim Limited is a company in which Director or his relative is a Member or Director
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.400 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23

1.4	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT	~185.62
1.5	Justification as to why RPT is in interest of the Company	REL is one of the leading exporter for bedsheets, pillow covers, etc., In export market, REL has achieved consistency in supplying quality materials in time bound manner. The Company by entering into various transactions with REL can gain the advantage of brand name created by REL in export market.
<b>2</b>	<b>Information to shareholders</b>	
2.1	Name of the related party	Raghuvir Exim Limited
2.2	Nature of relationship	REL is a company in which Director or his relative is a Member or Director
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	NA
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.  The Company and REL have the following common Directors: Mr. Sunil Raghubirprasad Agarwal, Mrs. Pamita Sunil Agarwal, Mr. Yash Sunil Agarwal, Mr. Hardik Sunil

		Agarwal, Mr. Samirbhai Rameshbhai Sheth and Mr. Kamalbhai Bansilal Patel
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 8 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

#### **ITEM NO. 9: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP FOR THE FINANCIAL YEAR 2022-2023**

HYS Developers LLP (HYSD) is a LLP who's Designated Partners are Directors in the Company. As part of Raghuvir Group Strategy, the Company is proposing to enter into various transactions with HYSD *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Company.

Pursuant to the provisions of the Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with HYSD for an aggregate value of up to Rs.150 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions with HYSD, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:



Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	HYS Developers LLP is a LLP who's Designated Partners are Directors in the Company
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.150 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT	~69.61
1.5	Justification as to why RPT is in interest of the Company	HYSD has a good relations with suppliers and export buyers. They can supply quality goods at reasonable cost to us. The Company can supply them goods for their export or local supply.
2	<b>Information to shareholders</b>	
2.1	Name of the related party	HYS Developers LLP
2.2	Nature of relationship	HYSD is a LLP who's Designated Partners are Directors in the Company
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured	NA

	or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	<p>None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.</p> <p>The Company and HYSD have the following common Directors/ Designated Partners: Mr. Sunil Raghubirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal</p>
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 9 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

**ITEM NO. 10: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions to be entered into by it or its Subsidiary. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In view of above, Dreamsoft Bedsheets Private Limited (DBPL), being a Subsidiary of the Company, requires prior approval of the Shareholders of its Holding Company i.e. Raghuvir Synthetics Limited. Hence, the Board of Directors of the Company is recommending the material related party transactions to be entered by DBPL with Raghuvir Exim Limited (REL).

REL is a Raghuvir group company. As part of Raghuvir Group Strategy, DBPL is proposing to enter into various transactions with REL *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions.

These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Companies.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with REL by DBPL for an aggregate value of up to Rs.30 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Companies.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions by DBPL with REL, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Raghuvir Exim Limited is a company in which Director or his relative is a Member or Director
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.30 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	- Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT - Percentage of the Subsidiary Company's turnover, for the immediately preceding FY, that is represented by the proposed RPT	~13.92  0
1.5	Justification as to why RPT is in interest of the Company	REL is one of the leading exporter for bedsheets, pillow covers, etc., In export market, REL has achieved consistency in supplying quality materials in time bound

		manner. The Company by entering into various transactions with REL can gain the advantage of brand name created by REL in export market.
<b>2</b>	<b>Information to shareholders</b>	
2.1	Name of the related party	Raghuvir Exim Limited
2.2	Nature of relationship	REL is a company in which Director or his relative is a Member or Director
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	NA
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	<p>None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.</p> <p>The Company and REL have the following common Directors: Mr. Sunil Raghubirprasad Agarwal, Mrs. Pamita Sunil Agarwal, Mr. Yash Sunil Agarwal, Mr. Hardik Sunil Agarwal, Mr. Samirbhai Rameshbhai Sheth and Mr. Kamalbhai Bansilal Patel</p>
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 10 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

**ITEM NO. 11: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions to be entered into by it or its Subsidiary. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In view of above, Dreamsoft Bedsheets Private Limited (DBPL), being a Subsidiary of the Company, requires prior approval of the Shareholders of its Holding Company i.e. Raghuvir Synthetics Limited. Hence, the Board of Directors of the Company is recommending the material related party transactions to be entered by DBPL with HYS Industries Private Limited (HYSI).

HYSI is a Raghuvir group company. As part of Raghuvir Group Strategy, DBPL is proposing to enter into various transactions with HYSI *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Companies.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with HYSI by DBPL for an aggregate value of up to Rs.200 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Companies.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions by DBPL with HYSI, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its	HYS Industries Private Limited is a company in which Director or his relative is a Member or Director

	subsidiary, including nature of its concern or interest (financial or otherwise)	
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.200 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	- Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT - Percentage of the Subsidiary Company's turnover, for the immediately preceding FY, that is represented by the proposed RPT	~92.81  0
1.5	Justification as to why RPT is in interest of the Company	HYSI has a good relations with suppliers and export buyers. They can supply quality goods at reasonable cost to us. The Company can supply them goods for their export or local supply.
<b>2</b>	<b>Information to shareholders</b>	
2.1	Name of the related party	HYS Industries Private Limited
2.2	Nature of relationship	HYSI is a company in which Director or his relative is a Member or Director
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of	NA

	such funds pursuant to the related party transaction	
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	<p>None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.</p> <p>The Company and HYSI have the following common Directors: Mr. Sunil Raghubirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal</p>
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 11 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

**ITEM NO. 12: APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023**

Pursuant to the provisions of the Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company requires prior approval of the Members for all material related party transactions to be entered into by it or its Subsidiary. In terms of these provisions, a related party transaction shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs.1000 Crore or 10% of the Annual Consolidated Turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In view of above, Dreamsoft Bedsheets Private Limited (DBPL), being a Subsidiary of the Company, requires prior approval of the Shareholders of its Holding Company i.e. Raghuvir Synthetics Limited. Hence, the Board of Directors of the Company is recommending the material related party transactions to be entered by DBPL with HYS Developers LLP (HYSI).

HYSI is a LLP who's Designated Partners are Directors in the Company. As part of Raghuvir Group Strategy, DBPL is proposing to enter into various transactions with HYSI *inter alia* including purchase and sale of required goods, rendering and availing of services and other transactions. These transactions, not only help smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of material and services without interruptions. These transactions also help in generating revenue and enhance business operations for each other. These transactions are on arm's length and in the ordinary course of business of the Companies.

The management has provided the Audit Committee with the relevant details, as required under law, of various proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into RPTs with HYS by DBPL for an aggregate value of up to Rs.100 Crores only to be entered during FY 2022-23. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Companies.

*Additionally, the SEBI vide its circular dated 8<sup>th</sup> April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs, it has been decided to specify that the shareholders' approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding 15 months and in case of omnibus approvals for material RPTs, obtained from shareholders in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".*

Details of the proposed transactions by DBPL with HYS, being a related party of the Company, pursuant to the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and other applicable provisions, if any, are as follows:

Sr. No.	Particulars	Details
1	<b>Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs</b>	
1.1	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	HYS Developers LLP is a LLP who's Designated Partners are Directors in the Company
1.2	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	a) Sale of Goods and Services, Stores and Spares, Fixed Assets; b) Purchase of Goods and Services, Stores and Spares, Fixed Assets; and c) Availing/ rendering of any kind of services or any other transactions for transfer of resources, services or obligations and other reimbursement. All the transactions will be on arm's length basis and in the ordinary course of business. Transactions amount will not exceed Rs.100 Crore.
1.3	*Tenure of the proposed transaction	Approval is sought for material RPTs proposed to be undertaken during the Financial Year 2022-23
1.4	- Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPT - Percentage of the Subsidiary Company's turnover, for the immediately preceding FY, that is represented by the proposed RPT	~46.41  0
1.5	Justification as to why RPT is in interest of the Company	HYS has a good relations with suppliers and export buyers. They can supply quality goods at reasonable cost to us. The Company can supply them goods for their export or local supply.
2	<b>Information to shareholders</b>	
2.1	Name of the related party	HYS Developers LLP



2.2	Nature of relationship	HYSD is a LLP who's Designated Partners are Directors in the Company
2.3	Type/ nature, material terms, monetary value and particulars of the proposed RPTs	Refer Point No. 1.2
2.4	Justification as to why RPT is in interest of the Company	Refer Point No. 1.5
2.5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) Details of source of fund ii) Nature of indebtedness iii) Cost of funds iv) tenure v) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security vi) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	NA
2.6	Copy of the valuation or other external party report, if any, such report has been relied upon.	All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors.
2.7	Name of Director/Key Managerial Personnel who is interested, if any	None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company.  The Company and HYSD have the following common Directors/ Designated Partners: Mr. Sunil Raghubirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal
2.8	Any other information that may be relevant	The proposed material RPTs are envisaged as an enabling approval from the shareholders of the Company.

*\* SEBI vide its circular dated 8<sup>th</sup> April, 2022 clarified that shareholders' approval of omnibus material RPTs approved in an AGM shall be valid up to the date of the next AGM for a period not exceeding 15 months.*

On the basis of the review and approval of the Audit Committee and the Board of Directors, the Board of Directors recommend the resolution contained in Item No. 12 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

**ITEM NO. 13: RATIFICATION OF MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED ENTERED DURING THE FINANCIAL YEAR 2021-2022**

HYS Industries Private Limited (HYSI) is a Raghuvir group company in which Directors or relative of Directors of the Company are Members or Directors. The Company has carried out transactions amounting to an aggregate value of Rs.45.03 Crores only for purchase of goods with HYSI during the FY 2021-22, which are in ordinary course of business at arm's length basis. Further, the said transactions have been reviewed and approved by the Audit Committee and the Board of Directors of the Company. In terms of the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the material related party transaction requires approval of members and therefore, the Board hereby recommends the resolution contained in Item No. 13 of the accompanying Notice to the Members for approval as an **Ordinary Resolution**.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested financially or otherwise except to the extent of their directorship and shareholding in the Company. The Company and HYSI have the following common Directors-  
Mr. Sunil Raghbirprasad Agarwal, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal.

**ITEM NO. 14: APPROVAL OF THE REMUNERATION TO MR. SUNIL RAGHUBIRPRASAD AGARWAL, CHAIRMAN & MANAGING DIRECTOR, FOR THE PERIOD FROM 01.04.2022 TO 30.06.2022**

The Members in their Annual General Meeting held on 28<sup>th</sup> September, 2017 had appointed Mr. Sunil Raghbirprasad Agarwal (DIN: 00265303) as the Chairman & Managing Director (Key Managerial Personnel) of the Company for a period of 5 Years from 01.07.2017 to 30.06.2022. Further, the Members in their Extra-ordinary General Meeting held on 23<sup>rd</sup> December, 2019 had fixed and approved a remuneration of Rs.30 Lakh per month (basic + other allowances) payable to Mr. Sunil Raghbirprasad Agarwal for a period upto 31.03.2022. The Nomination & Remuneration Committee and the Board has approved the same remuneration of Rs. 30 lakh per month for balance tenure of 3 months from 01.04.2022 to 30.06.2022.

Mr. Sunil Raghbirprasad Agarwal, himself and 3 other Directors, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal, Joint Managing Directors, and Mrs. Pamita Sunil Agarwal, Non-Executive Director of the Company being related to Mr. Sunil Raghbirprasad Agarwal may be deemed to be concerned or interest in the resolution. There are no other Directors and Key Managerial Personnel of the Company who are concerned or interest in the above resolution.

In terms of the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the remuneration of the Managing Directors requires approval of the Members by way of **Special Resolution**.

Accordingly, the Board recommends the resolution contained in Item No. 14 of the accompanying Notice to the Members for approval as a **Special Resolution**.

**ITEM NO. 15: APPROVAL TO GIVE LOAN OR GUARANTEE, PROVIDE SECURITY AND MAKE INVESTMENT IN ACCORDANCE WITH SECTION 186 OF THE COMPANIES ACT, 2013**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and

securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by Special Resolution passed at the General Meeting.

In view of the aforesaid, it is proposed to take approval of the Members under Section 186 of the Act, by way of Special Resolution, up to a limit of Rs.300 Crores only, as proposed in the Notice. The said proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 15 for approval by the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set-out at Item No. 15.

Accordingly, the Board recommends the resolution contained in Item No. 15 of the accompanying Notice to the Members for approval as a **Special Resolution**.

**ITEM NO. 16: APPROVAL TO BORROW IN EXCESS OF LIMIT PRESCRIBED IN SECTION 180(1)(C) OF THE COMPANIES ACT, 2013**

As per the provisions of the Section 180(1)(c) of the Companies Act, 2013 ("the Act"), the Board of Directors of a Company can borrow money together with the monies already borrowed by the Company in the ordinary course of business, to the extent of the paid-up share capital, free reserves and securities premium account, the approval of the Members of the Company in General Meeting by way of Special Resolution has to be obtained.

As you know that for business and operational purpose of the Company, the Company borrow funds and may borrow funds from time to time and so therefore it is required to obtain approval of the Members by way of Special Resolution in General Meeting to authorize to the Board to borrow funds in excess of paid-up share capital, free reserves and securities premium account.

Accordingly, your Board (including Committees thereof) recommends for the approval of the Members to borrow not more than Rs.100 Crore only for the purpose of business and operations of the Company and such amount do not include the amount borrowed as temporary loans from the Company's bankers in the ordinary course of business.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise, in the resolution set-out at Item No. 16.

Accordingly, the Board recommends the resolution contained in Item No. 16 of the accompanying Notice to the Members for approval as a **Special Resolution**.

By Order of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022

Place: Ahmedabad

Registered Office:-  
Rakhial Road, Rakhial,  
Ahmedabad-380023, Gujarat  
CIN: L17119GJ1982PLC005424  
E-mail ID: [info@raghuvir.com](mailto:info@raghuvir.com)  
Website: [www.raghuvir.com](http://www.raghuvir.com)  
Tel.: +91 079 29911015

Sunil R. Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## DIRECTORS' REPORT

DEAR SHAREHOLDERS,

The Directors are pleased to present their 40<sup>th</sup> Annual Report on the business and operations of the Company and the Audited Financial Accounts for the Year ended 31<sup>st</sup> March, 2022.

### FINANCIAL RESULTS:

Particulars	(Rs. in Lakhs)	
	Standalone	*Consolidated
	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021
Net Total Income	21857.48	17970.43
Less: Operating and Administrative Expenses	20955.66	16760.05
Profit before Depreciation and Taxes	901.82	1210.38
Less: Depreciation and Amortization	489.93	441.63
Less: Extraordinary/Exceptional Items	0	0
<b>Profit before Tax (PBT)</b>	411.89	768.75
Less: Taxes (including deferred tax )	70.89	179.37
<b>Profit after Tax (PAT)</b>	341.00	589.38
Other Comprehensive Income: Items that will not be reclassified to Profit or Loss-		
Remeasurement of defined Benefit Plans	4.03	0.77
Tax relating to Remeasurement of the defined Benefit Plans	(1.12)	(0.21)
Total other Comprehensive Income, net of Tax	2.91	0.56
Total Comprehensive Income for the Year	343.91	589.94
Profit/ (Loss) for the Year Attributable to:		
Owners of the Parent	NA	NA
Non-controlling Interest	NA	NA
Earnings Per Equity Share		
Basic	0.88	1.53
Diluted	0.88	1.53

\*During the year under review, the Company ("the Reporting Company") has acquired 51% of total shareholding of Dreamsoft Bedsheets Private Limited ("the Acquiree Company"), therefore, the Acquiree Company has become Subsidiary of the Reporting Company. Therefore, the Reporting Company has complied consolidated results and present the same for the year ended 31<sup>st</sup> March, 2022. However, the previous year ended figures are as per Standalone results of the Reporting Company.

Note: Figures of previous year have been regrouped whenever necessary, to confirm to current year's presentation.

## **HIGHLIGHTS OF PERFORMANCE & STATE OF THE COMPANY'S AFFAIRS:**

The total revenue of the Company has increased from Rs.179.70 Crores to Rs.218.57 Crores and the profit before tax of the Company has decreased from Rs.768.75 Lakhs to Rs.411.89 Lakhs. Subsequently, the net profit after tax (inclusive of comprehensive income) has decreased to Rs.343.91 Lakhs as compared to previous year's net profit of Rs.589.94 Lakhs. We remained resolute and relentless in our quest for strengthening our cost-competitiveness, better management of working capital and operational excellence across our business.

During the year under review, at the behest of the Hon'ble Gujarat High Court upon a suo-moto writ petition, Anmedabad Municipal Corporation (AMC) has undertaken a drive to disconnect effluent discharge connection of all units discharging water effluent in the sewage lines of AMC. Accordingly, the treated effluent discharge connection of the Company was disconnected on 30/11/2021. In the city of Ahmedabad, more than 400 connections were snapped by AMC by December 2021.

As result of this, the manufacturing operations of the Company have come to a standstill and this affected the revenue and profit of the Company during the year under review. It would be relevant to note that the Company has the requisite approvals from the competent authorities to discharge industrial effluents after treating the same in its inhouse effluent treatment plant. The Company had already filed a civil application in the matter against this disconnection and the Court order was received which was not in our favor.

Your Company is installing a Zero Liquid Discharge (ZLD) plant to treat 100% water effluent in our factory. This installation will be a permanent solution for waste water with zero liquid discharge. The plant will probably start in 1<sup>st</sup> – 2<sup>nd</sup> week of September, 2022. The production of the factory will probably start in 2<sup>nd</sup> week of September, 2022.

## **DIVIDEND:**

Keeping in view the financial results and in order to conserve financial resources for the future requirement of the fund, your Directors do not recommend any dividend during the year under review.

## **RESERVES AND SURPLUS:**

The Company has transferred profit after tax (inclusive of comprehensive income) amounting to Rs.343.91 lakhs to surplus carried to Balance Sheet as on 31<sup>st</sup> March, 2022. As on 31<sup>st</sup> March, 2022, Reserves and Surplus stands to Rs.2736.89 lakhs.

## **PUBLIC DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

## **SHARE CAPITAL:**

During the year under review, the Company has not issued any Shares or Securities. However, in the previous Annual General Meeting of the Company held on 15<sup>th</sup> September, 2021, the resolution for split of equity shares of Rs.10/- each to Re.1/- each was passed and the Record Date for the same was 28<sup>th</sup> October, 2021.

**SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY:**

During the year under review, Dreamsoft Bedsheets Private Limited has become Subsidiary of the Company w.e.f. 8<sup>th</sup> December, 2021. Hence, pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of Financial Statements of the Company's Subsidiary in Form AOC-1 is annexed as **Annexure-A** to this Report.

No Company has become an associate or joint venture of your Company during the year under review.

**THE CHANGE IN NATURE OF BUSINESS:**

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

**ANNUAL RETURN AS PER SECTION 92(3) OF THE ACT:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March, 2022 will be available on the Company's website, [http://www.raghuvir.com/annual\\_report.html](http://www.raghuvir.com/annual_report.html).

**RELATED PARTY TRANSACTIONS:**

In compliance with the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has formulated a Policy on Related Party Transactions (RPTs) and manner of dealing with RPTs. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company's website, <http://www.raghuvir.com/policies.html>.

All transactions with related parties during the FY 2021-22 were reviewed and approved by the Audit Committee and were at Arm's Length Price (ALP) and in the Ordinary Course of Business (OCB). Prior omnibus approval was obtained for all RPTs which were of repetitive nature and entered in the OCB and on an ALP basis. The transactions entered into pursuant to the omnibus approval so granted were reviewed by Audit Committee on quarterly basis.

During the year under review, your Company has entered into related party transactions in terms of Section 188 of the Act, the details whereof are provided in Form AOC-2 which forms an integral part of this Report as **Annexure-B**.

Approval of Members is being sought for the material RPTs for the FY 2022-23 at the ensuing Annual General Meeting ("AGM"), details regarding material related party transactions are provided in the Notice calling the ensuing AGM and explanatory statement thereof.

**BOARD MEETINGS HELD DURING THE YEAR:**

Sr. No.	Date on which Meetings of Board of Directors were held	Total Strength of the Board	No. of Directors Present
1.	01/04/2021	8	8
2.	20/04/2021	8	6
3.	24/06/2021	8	8
4.	24/07/2021	8	8
5.	10/08/2021	8	8
6.	25/08/2021	8	7

7.	28/09/2021	8	8
8.	18/10/2021	8	7
9.	25/10/2021	8	8
10.	01/11/2021	8	8
11.	26/11/2021	8	8
12.	13/12/2021	8	7
13.	03/01/2022	8	7
14.	31/01/2022	8	8
15.	11/02/2022	8	7

#### ATTENDANCE OF DIRECTORS AT THE BOARD MEETINGS:

Sr. No.	Name of Directors	No. of Meetings Held	No. of Meetings Attended
1.	Mr. Sunil Raghubirprasad Agarwal	15	15
2.	Mr. Yash Sunil Agarwal	15	14
3.	Mr. Hardik Sunil Agarwal	15	12
4.	Mr. Anup Ramniwas Agarwal	15	15
5.	Mr. Samirbhai Rameshbhai Sheth	15	15
6.	Mr. Kamalbhai Bansilal Patel	15	13
7.	Mrs. Pamita Sunil Agarwal	15	15
8.	Mr. Nishit Chandulal Joshi	15	14

#### THE DETAILS OF THE DIRECTORS OR KMP WHO WERE APPOINTED OR RESIGNED DURING THE YEAR AND DETAILS OF COMMITTEES OF BOARD OF DIRECTORS:

- Mr. Sunil Raghubirprasad Agarwal (DIN: 00265303), Chairman & Managing Director of the Company was re-appointed in the 39<sup>th</sup> Annual General Meeting of the Company for the tenure of 5 years which began on 01<sup>st</sup> July, 2022.
- Ms. Pratika PradeepKumar Bothra, Company Secretary & Compliance Officer, tendered her resignation from the post of Company Secretary & Compliance Officer of the Company w.e.f. 24<sup>th</sup> July, 2021 due to her personal reasons. The Board recorded deep appreciation for the contributions of Ms. Pratika PradeepKumar Bothra during her employment and for the invaluable advice given by her to Board of Directors from time to time.
- The Board appointed Mrs. Swati Jain as the Company Secretary & Compliance Officer of the Company w.e.f. 24<sup>th</sup> July, 2021.
- Mr. Vikram R. Gupta, Chief Financial Officer of the Company, tendered his resignation from the Company w.e.f. 3<sup>rd</sup> January, 2022.
- The Board has appointed Mr. Prateek Pareek as the Chief Financial Officer of the Company w.e.f. 3<sup>rd</sup> June, 2022.
- In terms of Section 152 of the Act, Mr. Yash Sunil Agarwal (DIN: 02170408) is liable to retire by rotation at forthcoming AGM and being eligible, offers himself for re-appointment. A brief resume of Mr. Yash Sunil Agarwal (DIN: 02170408), Joint Managing Director being proposed to be re-appointed with the

nature of their expertise, their shareholding in the Company as stipulated under as required under Regulation 36(3) of the Listing Regulations, is annexed to the Notice of the ensuing AGM.

- Pursuant to the provisions of Section 203 of the Act, Mr. Sunil Raghbirprasad Agarwal, Chairman & Managing Director (Executive), Mr. Yash Sunil Agarwal & Mr. Hardik Sunil Agarwal, Joint Managing Directors (Executive) and Mrs. Swati Jain, Company Secretary & Compliance Officer are the Key Managerial Personnel of the Company as on 31<sup>st</sup> March, 2022.
- Details of Committees of the Board of Directors are provided in the Corporate Governance Report forming part of this Report.

#### **INDEPENDENT DIRECTORS:**

- Mr. Samirbhai Rameshbhai Sheth, Mr. Kamalbhai Bansilal Patel, Mr. Anup Ramniwas Agarwal and Mr. Nishit Chandulal Joshi, Independent Directors of the Company have registered their name in the database and are exempted from the online proficiency self-assessment test with respect to registration of Independent Director in a Company, on the date of commencement of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, Ministry Of Corporate Affairs Notification dated 22<sup>nd</sup> October, 2019 in exercise of the powers conferred by Section 149 read with Section 469 of the Act, the Central Government amend the Companies (Appointment and Qualification of Directors) Rules, 2014.
- The Company has received necessary Declaration from each Independent Director under Section 149(7) of the Act, that they meet the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

#### **SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:**

The Independent Directors of your Company, in a separate meeting held on 29<sup>th</sup> March, 2022, *inter alia*, discussed the following:

- Reviewed the performance of Non-Independent Directors of the Company and the Board as a whole.
- Reviewed the performance of the Chairman of the Company taking into account the views of Executive Directors and Non-executive Directors.
- Assessed the quality, quantity and timelines of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonable perform their duties.

All Independent Directors of the Company were present at the Meeting.

#### **BOARD, COMMITTEE AND INDIVIDUAL DIRECTOR EVALUATION:**

Evaluation Survey of the Executive / Non –Executive Directors of the Company was carried out by entire Board of members except the Director being evaluated. Evaluation Survey of Independent Director was also carried on by the entire Board of Directors in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated. Evaluation of performance of the Board and its' Committee has been made by the Board considering the financial and operational performance of the Company. Based on the performance evaluation of each and every Director and the Chairman of the Company, the Nomination and Remuneration Committee provides ratings based on each criteria and sub-criteria in accordance with the Nomination and Remuneration Policy of the Company, the Code of Conduct of the Directors and the criteria for the evaluation



of the performance as prescribed in Directors' Performance Evaluation Policy. The Directors' Performance Evaluation Policy is also disclose website of the Company, <http://www.raghuvir.com/policies.html>.

The meeting for the purpose of evaluation of performance of Board Members by Nomination and Remuneration Committee was held on 24<sup>th</sup> July, 2021 and 1<sup>st</sup> November, 2021. The members of the Committee expressed their satisfaction with the evaluation process.

#### **AUDITORS:**

##### **➤ STATUTORY AUDITORS & ITS AUDIT REPORT**

At the 35<sup>th</sup> Annual General Meeting ("AGM") of the Company held on 28<sup>th</sup> September, 2017, M/s. Ashok K. Bhatt & Co., Chartered Accountants, having Firm Registration No. 100657W, was appointed as the Statutory Auditors of the Company for a term of 5 years, to hold office till the conclusion of the 40<sup>th</sup> AGM of the Company to be held in the year 2022. Accordingly, the term of M/s. Ashok K. Bhatt & Co. is expiring in the ensuing AGM. Hence, new Statutory Auditor is required to be appointed in the ensuing AGM.

The Company has approached M/s. G. K. Choksi & Co., Chartered Accountants, having FRN: 101895W, for their appointment as Statutory Auditor of the Company. The Audit Committee of the Company, after due deliberations and discussions, recommended to the Board the appointment of M/s. G. K. Choksi & Co. as Statutory Auditors of the Company for a term of 5 (five) years to hold office from the conclusion of this 40<sup>th</sup> AGM till the conclusion of the 45<sup>th</sup> AGM of the Company. Based on recommendations of the Audit Committee, the Board of Directors at their meeting held on 25<sup>th</sup> August, 2022, approved the same subject to approval of the shareholders of the Company in the ensuing AGM.

M/s. G. K. Choksi & Co. has consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013.

The Notes on Financial Statements (including the Consolidated Financial Statements) 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, adverse remarks or disclaimer.

##### **➤ REPORTING OF FRAUD BY STATUTORY AUDITORS**

During the year under review, the Statutory Auditors have not reported any instance of fraud in respect of the Company, its officers or employees under Section 143(12) of the Act.

##### **➤ SECRETARIAL AUDITOR & ITS REPORT**

M/s. SPAN & Co. Company Secretaries LLP (LLPIN: AAG-7017) was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2021-2022, as required under Section 204 of the Act and Rules made thereunder. Your Company has received consent from M/s. SPAN & Co. Company Secretaries LLP to act as the Secretarial Auditor for conducting audit of the secretarial records for the Financial Year ending 31<sup>st</sup> March, 2022. The Secretarial Audit Report in Form MR-3 for the FY 2021-2022 forms part of this Report as **Annexure-C**.

The Secretarial Audit Report are self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimers. The Secretarial Compliance Report has been filed with the Stock Exchange.

➤ **INTERNAL AUDITOR**

The Board of Directors appointed Mr. Kiritkumar K. Patadia (PAN: AFAPP6208G) as the Internal Auditor of your Company for the Financial Year 2021-2022. Findings of the Internal Auditor was satisfactory. As per the Report of the Internal Auditor, there exist a proper internal checks and controls in the Company.

➤ **COST AUDITOR**

Pursuant to the provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain its cost records and get the same audited by a Cost Accountant in Practice. Accordingly, the cost records are made and maintained by the Company as required under Section 148(1) of the Act.

During the year under review, M/s. Anuj Aggarwal & Co., Cost Accountants (FRN- 102409) were appointed as the Cost Auditors of the Company for the FY 2021-22 for conducting the audit of cost records of the Company. Your Company is maintaining the requisite cost records and the Cost Audit Report for the FY 2021-22 which shall be filed with the Ministry of Corporate Affairs in due course.

The Board has, based on the recommendation of the Audit Committee, approved the re-appointment of M/s. Anuj Aggarwal & Co., Cost Accountants (FRN- 102409) as the Cost Auditors of the Company for the Financial Year 2022-2023. As per provisions of the Act, the remuneration payable to Cost Auditors is required to be approved by the members in a General Meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. Anuj Aggarwal & Co. is included in the Notice convening the AGM.

**PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS UNDER SECTION 186:**

Particulars of loans, guarantees, securities and investments under Section 188 of the Act, wherever applicable, have been disclosed in the Financial Statements.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report, as required under Regulation 34 read with Schedule V to the Listing Regulations, forms part of this Report as **Annexure-D**.

**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this report.

**CORPORATE GOVERNANCE:**

Your Company has complied with all the requirements of the Corporate Governance in true letter and spirit as prescribed in the Listing Regulations and the Act read with rules made thereunder. In line with the Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Company Secretary, certifying compliance with conditions of Corporate Governance, is annexed to this Report as **Annexure-E**.

**AUDIT COMMITTEE:**

Audit Committee comprises of 4 members and all members are Independent Directors. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The

composition and the functions of the Audit Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

Nomination and Remuneration Committee comprises of 4 members and all members are Independent Directors. The composition and the functions of the Nomination and Remuneration Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

Stakeholder Relationship Committee comprises of 4 members and all members are Independent Directors. The composition and the functions of the Stakeholder Relationship Committee of the Board of Directors of the Company is disclosed in the Report on Corporate Governance, which is forming a part of this report.

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

There are no significant and material orders passed by the Regulators or Court during the year under review except at the behest of the Hon'ble Gujarat High Court upon a suo-moto writ petition, Anmedabad Municipal Corporation (AMC) has undertaken a drive to disconnect effluent discharge connection of all units discharging water effluent in the sewage lines of AMC. Accordingly, the treated effluent discharge connection of the Company was disconnected on 30/11/2021. In the city of Ahmedabad, more than 400 connections were snapped by AMC by December, 2021.

As result of this, the manufacturing operations of the Company have come to a standstill. The matter was disclosed to the Stock Exchange in terms of the Listing Regulations. It would be relevant to note that the Company has the requisite approvals from the competent authorities to discharge industrial effluents after treating the same in its inhouse effluent treatment plant. The Company had already filed a civil application in the matter against this disconnection and the Court order was received which was not in our favor.

Your Company is installing a Zero Liquid Discharge (ZLD) plant to treat 100% water effluent in our factory. This installation will be a permanent solution for waste water with zero liquid discharge. The plant will probably start in 1<sup>st</sup> – 2<sup>nd</sup> week of September, 2022. The production of the factory will probably start in 2<sup>nd</sup> week of September, 2022.

#### **MATERIAL CHANGES BETWEEN THE DATES OF THE END OF FINANCIAL YEAR AND THE DIRECTORS' REPORT:**

There have been no material changes and commitments, affecting the financial position of the Company between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the Report.

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are provided in **Annexure-F** to the Directors' Report and forms part of this Report.

## SECRETARIAL STANDARD COMPLIANCE:

During the year under review, the Company has complied with all applicable Secretarial Standards issued by Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Act.

## CORPORATE MANAGEMENT & RISK MANAGEMENT POLICY:

The Board of Directors have developed and implemented a robust Risk Management Policy which identifies the key elements of risks that threatens the existence of the Company. The Audit Committee reviews the Company's financial and risk management policies and steps taken by the Company to mitigate such risks at regular intervals. The Policy can be accessed on the Company's website, <http://www.raghuvir.com/policies.html>.

## CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per the provisions of Section 135 of the Act, every Company falling under the applicability of Corporate Social Responsibility is required to spend 2% of its average net profits of previous three years on the activities given under Schedule VII of the Act and CSR policy adopted by the Board of Directors. The provisions of CSR has been applicable to the Company from the FY 2021-22. The Board of Directors of your Company has approved and adopted the CSR Policy in the Board Meeting dated 24<sup>th</sup> July, 2021.

Your Company has spent a total amount of Rs.35.50 Lakhs/- during the FY 2021-22 against the amount required to be spent by it of Rs.10.52 Lakhs. During the year under review, your Company has been actively involved in CSR activities. Your Company has carried out CSR activities in fields of promotion of education. Your Company has spent the requisite amount in line with the approval of the Board of Directors of your Company.

Your Company's CSR Policy Statement and Annual Report on the CSR activities undertaken during the Financial Year ended 31<sup>st</sup> March, 2022, in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Report as **Annexure-G**.

The details about the Policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is available on website of the Company at <http://www.raghuvir.com/policies.html>.

## PREVENTION OF SEXUAL HARASSMENT POLICY:

In order to comply with provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the website of the Company at <http://www.raghuvir.com/policies.html>. As per the requirement of the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with rules made thereunder, the Company has constituted Internal Complaints Committees as per requirement of this Act which are responsible for redressal of complaints relating to sexual harassment against woman at workplace.

Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

## **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, state the following:

- a) That in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Act and Regulation 22 of the Listing Regulations. Employees can raise any suspected or actual violations to the Code of Conduct. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Your Directors state that during the year under review, there were no cases filed pursuant to the aforesaid Act.

## **PARTICULARS OF EMPLOYEES:**

A statement containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure-H** to this report.

No employee has received remuneration in excess of the limits set out in Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2021-22.

## **MATTERS AS PRESCRIBED UNDER SUB-SECTIONS (1) AND (3) OF SECTION 178 OF THE ACT:**

The Policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3)

of Section 178 of the Act, adopted by the Committee, forms part of this Report as **Annexure-I** and also available on the website of the Company at <http://www.raghuvir.com/policies.html>.

**ACKNOWLEDGMENT:**

Your Directors wish to place on record their appreciation to the devoted services of the workers, staff and the officers who largely contributed to the efficient management of the Company in the difficult times. The Directors place on record their appreciation for the continued support of the shareholders of the Company. The Directors also take this opportunity to express their grateful appreciation for assistance and cooperation received from the bankers, vendors and stakeholders including financial institutions, Central and State Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review.

**For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited**

**Date: 25/08/2022  
Place: Ahmedabad**

**Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303**

## Annexure-A

### Form No. AOC-1

(Pursuant to first proviso to Sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of  
Subsidiaries/ Associate Companies/ Joint Ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Name of the subsidiary	Dreamsoft Bedsheets Private Limited
The date since when subsidiary was acquired	08/12/2021
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
Share capital	100,000
Reserves & surplus	(63,000)
Total assets	1,07,000
Total Liabilities	70,000
Investments	0
Turnover	0
Profit before taxation	(63,000)
Provision for taxation	0
Profit after taxation	(63,000)
Proposed Dividend	0
% of shareholding	51%

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

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year-N.A.

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to  
Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
Amount of Investment in Associates/ Joint Venture	
Extend of Holding%	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

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

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

**FOR AND ON BEHALF OF THE BOARD**

Sunil R. Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

Yash S. Agarwal  
(Joint Managing Director)  
DIN: 02170408

Swati Jain  
(Company Secretary)

Date: 25/08/2022  
Place: Ahmedabad



## Annexure-B

### Form No. AOC-2 (FINANCIAL YEAR 2021-22)

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

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

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

The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2022 are as follows:

Sr. No.	Names of related party and Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts / arrangements/ transactions	Salient terms of the contracts/ arrangements/ transaction (Amount in lakhs)	Date(s) of approval by the Board, if any	Amount paid as advances , if any
1	Mr. Sunil R. Agarwal (KMP- Chairman & Managing Director)	Rent expenses	FY 2021-22	Normal business terms and transactions on rates prevailing in the market. The amount of transactions: Rs.33.05 Lakhs	1 <sup>st</sup> April, 2021	NA
2	The Sagar Textile Mills Private Limited (Enterprise over which KMP exercise significant influence by controlling interest)	Rent expenses, Finished goods sales/ Grey sales, Purchase	FY 2021-22	Transactions were in ordinary course of business and on an arm's Length basis. The amount of transactions were as follow: 1) Rent expenses: Rs.2.54 Lakhs 2) Finished goods sales/ Grey sales: Rs.1.97 Lakhs 3) Purchase: Rs.6428.90 Lakhs	1 <sup>st</sup> April, 2021	NA
3	Raghuvir Exim Limited (Enterprise over which KMP exercise significant influence by controlling interest)	Rent expenses, Sales processing charges, Freight and other income, Finished goods sales/ Grey sales, Purchase	FY 2021-22	Transactions were in ordinary course of business and on an arm's Length basis. The amount of transactions were as follow: 1) Rent expenses: Rs.2.03 Lakhs 2) Sales processing charges, Freight and other income: Rs.171.04 Lakhs 3) Finished goods sales/ Grey sales: Rs.14398.66 Lakhs	1 <sup>st</sup> April, 2021	NA

				4) Purchase: Rs.248.44 Lakhs		
4	HYS Industries Private Limited (Enterprise over which KMP exercise significant influence by controlling interest)	Purchase	FY 2021-22	Transactions were in ordinary course of business and on an arm's Length basis. The amount of transactions: Rs.4288.16/- Lakhs.	1 <sup>st</sup> April, 2021	NA
5	HYS Developers LLP (Enterprise over which KMP exercise significant influence by controlling interest)	Finished goods sales/ Grey sales, Purchase	FY 2021-22	Transactions were in ordinary course of business and on an arm's Length basis. The amount of transactions were as follow: 1) Finished goods sales/ Grey sales:Rs.12.55 Lakhs 2) Purchase: Rs.4692.46 Lakhs	1 <sup>st</sup> April, 2021	NA
6	Raghukaushal Textile Private Limited (Enterprise over which relative of KMP exercise significant influence)	Sales processing charges, Freight and other income, Purchase	FY 2021-22	The related party transactions entered during the year were in ordinary course of business and on an arm's Length basis. The amount of transactions were as follow: 1) Sales processing charges, Freight and other income: Rs.78.85 Lakhs 2) Purchase: Rs.2.88 Lakhs	1 <sup>st</sup> April, 2021	NA
7	Raghuvir Lifestyle Private Limited (Enterprise over which relative of KMP exercise significant influence)	Finished goods sales/ Grey sales	FY 2021-22	Transactions were in ordinary course of business and on an arm's Length basis. The amount of transactions: Rs.0.74 Lakhs	1 <sup>st</sup> April, 2021	NA

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-C

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

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

To,  
The Members,  
**Raghuvir Synthetics Limited**

Rakhial Road, Rakhial  
Ahmedabad- 380023, Gujarat, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Raghuvir Synthetics Limited (CIN: L17119GJ1982PLC005424)** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the financial year ended on **31<sup>st</sup> March, 2022 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not Applicable to the Company during the Audit Period*);
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not Applicable to the Company during the Audit Period)*;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 till 12<sup>th</sup> August, 2021 & the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 w.e.f 13<sup>th</sup> August, 2021; *(Not Applicable to the Company during the Audit Period)*
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 till 15<sup>th</sup> August 2021 & the Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 w.e.f 16<sup>th</sup> August, 2021; *(Not Applicable to the Company during the Audit Period)*
  - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 till 9<sup>th</sup> June, 2021 & the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 w.e.f 10<sup>th</sup> June, 2021; *(Not Applicable to the Company during the Audit Period)* and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *(Not Applicable to the Company during the Audit Period)*.
- vi. We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- a. The Environment (Protection) Act, 1986
  - b. The Textiles Committee Act, 1963
  - c. The Hazardous Wasted (Management, Handling And Transboundary Movement) Rules, 2008
  - d. The Water (Prevention & Control of Pollution) Act, 1974
  - e. The Air (Prevention & Control of Pollution) Act, 1981
  - f. Legal Metrology Act, 2009;

For the purpose of other laws applicable specifically to the Company, we have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws as may be applicable specifically to the Company and verification of document and records.

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

- i. Secretarial Standards (SS-1 for Meetings of the Board of Directors & SS-2 for General Meetings) issued by the Institute of Company Secretaries of India; and

- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['LODR Regulations'].

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above subject to the following observations:

The Status of the company in the Calcutta Stock Exchange Limited ("the Stock Exchange") is found to be "Suspended" during the Audit Period. The Company has paid fees for revocation of suspension to the Stock Exchange and also filled required documents for revocation of suspension from the Stock Exchange. The process of revocation of suspension is pending at the end of the actions to be taken by the Stock Exchange.

During the period under review, the Company has paid Annual Listing Fees to the Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the Audit Period.

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

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

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

**We further report that** during the Audit Period, the company had no specific events/ actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

**Place:** Ahmedabad

**Date:** 25/08/2022

**Signature:** \_\_\_\_\_  
Premnarayan Tripathi, Designated Partner  
SPAN & Co. Company Secretaries LLP  
FCS 8851, COP: 10029  
UDIN: F008851D000844103  
PR: 800/2020

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

## Annexure A

To,  
The Members,  
**Raghuvir Synthetics Limited**

Rakhial Road, Rakhial  
Ahmedabad- 380023, Gujarat, India

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

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

**Place:** Ahmedabad

**Date:** 25/08/2022

**Signature :** \_\_\_\_\_  
**Premnarayan Tripathi, Designated Partner**  
**SPAN & Co. Company Secretaries LLP**  
**FCS 8851, COP: 10029**  
**UDIN: F008851D000844103**  
**PR: 800/2020**

## Annexure-D

### MANAGEMENT DISCUSSION AND ANALYSIS

#### ➤ INDIA TEXTILE INDUSTRY OVERVIEW/ INDUSTRY STRUCTURE AND DEVELOPMENTS\*

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

Exports have been a core feature of India's textile sector. Exports of both man-made textile and readymade garments have seen a major boost. A major factor behind the robustness of India's textile industry is its strong production base with a wide range of fibres and yarns. India is among the top producers of jute and silk, and beyond its natural fibres such as cotton, jute, silk and wool; and synthetic, its manmade fibres such as polyester, viscose, nylon and acrylic have also created a niche for themselves in the market.

#### ➤ OPPORTUNITY\*

Indian government has come up with a number of export promotion policies for the textiles sector. It has also allowed 100 per cent FDI in the sector under the automatic route. Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs.1,480 crore (US\$ 211.76 million). In Union Budget 2021-22, the announcement on setting up of seven mega textiles parks, will directly impacting the textile industry. With the concept of these mega parks with a plug and play model, Indian textile and apparel sector, particularly SMEs, can work on scale and build competitiveness in manufacturing. The Production Linked Incentive (PLI) scheme for man-made fibres and technical textiles with a total outlay of Rs.10,683 crore will help the textile industry to become globally competitive, attract large investments and boost employment generation. Further, reduction in customs duty on caprolactam, nylon chips and nylon fibre & yarn to 5 per cent is step in the right direction, as it will bring nylon chain on par with polyester and other man-made fibres. Accordingly, the increase in customs duty on cotton from nil to 10 per cent and on raw silk and silk yarn from 10 per cent to 15 per cent will benefit domestic cotton and silk growers. Custom duty policy announced has dual objectives of promoting domestic manufacturing and helping India get on to global value chain and export better as the domestic textile industry will get easy access to raw materials and exports of value-added products, which will make textile industry globally competitive. The Budget allocates Rs.700 crore for Amended Technology Upgradation Scheme (ATUFs) which will help to clear the pending capital subsidy.

\* The Company undertakes no obligations to publicly update or revise any of the opinions of statements expressed in this report. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

## ➤ REVIEW AND FUTURE OUTLOOK OF THE COMPANY

The Company is continuously trying to accomplish the desired results. Steps have been taken for cost diminution and manufacturing quality products by various installed machineries of the Company. Various aspects of working conditions of workers, health related issues, minimizing risk of accidents at work place etc. are being taken care of by the Company. The Company will achieve more turnover by various marketing strategies, offering more quality products, etc. in coming years followed by increase in profit margin by way of various cost cutting techniques and optimum utilization of various resources of the Company. The Company has found export opportunities for the same line of textile products which they were doing job work presently. Till yet the Company was involved in job work but now with the view of export opportunities, the Company taken the lead towards the export in simultaneous with Job Work.

## ➤ THREATS/ RISK AND CONCERN

- 1) Cotton is pre-dominantly used as raw material in textile sector. Consequently, unavailability of raw material or price fluctuations may impact production.  
Company's proposed step – Strong and long-term relationships with vendors to help ensure timely availability of raw materials.
- 2) The Company's business may be impacted by introduction of new policies or changes in existing policies.  
Company's proposed step – The Company's management team keeps a close eye on policy regulations and formulates company plans appropriately.
- 3) Low-cost imports due to favourable government policies in other countries may pose significant risk to business and impact pricing strategy.  
Company's proposed step – The Company's competitive advantage comes from leveraging economies of scale, cutting-edge technology and strategic partnerships with all stakeholders to offer competitive rates globally.

## ➤ INTERNAL CONTROL SYSTEM AND THEIR ADEQUECY

The Company has proper and adequate system of internal control, commensurate with the size and nature of its business. Regular internal audits and checks carried out and also management reviews the internal control system and procedures to ensure orderly and efficient conduct of business and to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported correctly. The Company has well defined internal control system. Internal audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organization. The Audit Committee, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, and compliance with Accounting Standards, among others.

## ➤ HUMAN RESOURCES

The Company believes that its people are its most important asset and thus continuously strives to scale up its employee engagement through well-structured systems and a visionary HR philosophy. The Company continues to lays emphasis on building and sustaining the excellent organization climate based on human performance. Performance management is the key word for the Company. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation in the Company. We are highly focused on developing our employees to perform with the same excellence for the challenges and huge business opportunities that are envisaged in future. The Company firmly believes that intellectual capital and human resources is the backbone of the Company's success.



➤ **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company's financial performance (including Consolidated financial performance) with respect to operational performance are as under:

Particulars	Standalone		*Consolidated	
	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021	For the year ended on 31 <sup>st</sup> March, 2022	For the year ended on 31 <sup>st</sup> March, 2021
Net Total Income	21857.48	17970.43	21857.48	17970.43
Less: Operating and Administrative Expenses	20955.66	16760.05	20956.29	16760.05
Profit before Depreciation and Taxes	901.82	1210.38	901.19	1210.38
Less: Depreciation and Amortization	489.93	441.63	489.93	441.63
Less: Extraordinary/Exceptional Items	0	0	0	0
<b>Profit before Tax (PBT)</b>	411.89	768.75	411.26	768.75
Less: Taxes (including deferred tax )	70.89	179.37	70.89	179.37
<b>Profit after Tax (PAT)</b>	341.00	589.38	340.37	589.38
Other Comprehensive Income: Items that will not be reclassified to Profit or Loss-				
Remeasurement of defined Benefit Plans	4.03	0.77	4.03	0.77
Tax relating to Remeasurement of the defined Benefit Plans	(1.12)	(0.21)	(1.12)	(0.21)
Total other Comprehensive Income, net of Tax	2.91	0.56	2.91	0.56
Total Comprehensive Income for the Year	343.91	589.94	343.28	589.94
Profit/ (Loss) for the Year Attributable to:				
Owners of the Parent	NA	NA	340.68	589.38
Non-controlling Interest	NA	NA	(0.31)	-
Earnings Per Equity Share				
Basic	0.88	1.53	0.88	1.53
Diluted	0.88	1.53	0.88	1.53

\*During the year under review, the Company ("the Reporting Company") has acquired 51% of total shareholding of Dreamsoft Bedsheets Private Limited ("the Acquiree Company"), therefore, the Acquiree Company has become Subsidiary of the Reporting Company. Therefore, the Reporting Company has complied consolidated results and present the same for the year ended 31<sup>st</sup> March, 2022. However, the previous year ended figures are as per Standalone results of the Reporting Company.

Note: Figures of previous year have been regrouped whenever necessary, to confirm to current year's presentation.

The total revenue of the Company has increased from Rs.179.70 Crores to Rs.218.57 Crores and the profit before tax of the Company has decreased from Rs.768.75 Lakhs to Rs.411.89 Lakhs. Subsequently, the net profit after tax (inclusive of comprehensive income) has decreased to Rs.343.91 Lakhs as compared to previous year's net profit of Rs.589.94 Lakhs. We remained resolute and relentless in our quest for strengthening our cost-competitiveness, better management of working capital and operational excellence across our business.

During the year under review, at the behest of the Hon'ble Gujarat High Court upon a suo-moto writ petition, Anmedabad Municipal Corporation (AMC) has undertaken a drive to disconnect effluent discharge connection of all units discharging water effluent in the sewage lines of AMC. Accordingly, the treated effluent discharge connection of the Company was disconnected on 30/11/2021. In the city of Ahmedabad, more than 400 connections were snapped by AMC by December 2021.

As result of this, the manufacturing operations of the Company have come to a standstill and this affected the revenue and profit of the Company during the year under review. It would be relevant to note that the Company has the requisite approvals from the competent authorities to discharge industrial effluents after treating the same in its inhouse effluent treatment plant. The Company had already filed a civil application in the matter against this disconnection and the Court order was received which was not in our favor.

Your Company is installing a Zero Liquid Discharge (ZLD) plant to treat 100% water effluent in our factory. This installation will be a permanent solution for waste water with zero liquid discharge. The plant will probably start in 1<sup>st</sup> – 2<sup>nd</sup> week of September, 2022. The production of the factory will probably start in 2<sup>nd</sup> week of September, 2022.

➤ **DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25 % OR MORE AS COMPARED TO THE IMMEDIATE PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS**

<b>Ratios</b>	<b>2021-22</b>	<b>2020-21</b>	<b>CHANGE (%)</b>
Debtors Turnover Ratio	90.37	37.18	143%
Inventory Turnover Ratio	15.86	9.24	72%
Interest Coverage Ratio	7.23	15.05	-52%
Current Ratio	1.15	1.13	2%
Debt Equity Ratio	0.54	0.61	-11%
Operating Profit Margin %	3.20%	4.95%	-35%
Net Profit Margin %	2.00%	3.00%	-33%
Return on Net Worth%	11.56%	23.75%	-51%

➤ **CAUTIONARY STATEMENT**

This Management Discussion and Analysis statement of the Annual Report has been included in adherence to the spirit enunciated in the code of corporate governance approved by the Securities and Exchange Board of India. Statement in the Management Discussion and Analysis describing Company's objectives, projections, estimates, expectation may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include economic conditions affecting demand/supply and price conditions in the Government regulations, tax laws, other rules & regulation applicable to company and other incidental factors. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinion expressed here are subject to change without notice. The Company undertakes no obligations to publicly update or revise any of the opinions of forward looking statements expressed in this report, consequent to new information future events, or otherwise. Readers are hence cautioned not to place undue reliance on these statements and are advised to conduct their own investigation and analysis of the information contained or referred to this statement before taking any action with regard to specific objectives.

➤ **SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE**

The Company is having only one segment, details and performance of the same are provided hereinabove and in the respective heads of this Annual Report.

Date: 25/08/2022  
Place: Ahmedabad

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-E

### CORPORATE GOVERNANCE REPORT

#### CORPORATE GOVERNANCE

The principal characteristics of corporate governance are Transparency, Independence, Accountability, Responsibility, Fairness, and Social Responsibility. Corporate Governance pertains to system of blending law, regulations and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting interests of other stakeholders and the society as a whole.

It aims to assure the shareholders that it is “Your Company” and it belongs to you. The Chairman and Board of Directors are your fiduciaries and trustees pushing the business forward in maximizing long term value for its shareholders. This report sets out the compliance status of the Company with the requirements of corporate governance, as set out in pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) for the financial year 2021-2022.

#### COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The fundamental approach to corporate governance is to ensure the condition that Board of Directors and Managers act in the interest of the Company. The implementation of good corporate governance leads to increase in the long term value of the shareholders and also in the enhancement of the interest of the other stakeholders. The Company is led by the Chairman and the Managing Director who are responsible for implementing the broad policies and guidelines.

Your Company has followed all the mandatory requirement of Corporate Governance complying with the requirements of the Listing Regulations and applicable provisions of Companies Act, 2013 (“**the Act**”) and looking forward positively to follow non mandatory provisions. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over sustained period of time.

#### 1) BOARD OF DIRECTORS

The Board at Raghuvir Synthetics Limited is entrusted with the responsibility of the Management, directions and performance of the Company. The Board’s primary role is fiduciary. The Board provides leadership, strategic guidance, objective and its independent view to the Company’s management while discharging its responsibilities and ensures that the management adheres to ethics, transparency and disclosures. The Board members take an active part at the Board and Committee meetings and provide valuable guidance to the Management on various aspects of the business, governance and compliance. The Board of the Company has a good mix of Executive and Non-Executive Directors.

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedules accordingly. In case of business exigencies, the Board approval is taken through circular resolutions. The circular resolutions, wherever passed, are noted at the subsequent Board Meeting. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board.

**NUMBER OF INDEPENDENT DIRECTORSHIPS**

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven listed companies. Further, the Managing Director of the Company does not serve as an Independent Director of any listed entities.

**A. COMPOSITION OF BOARD OF DIRECTORS AS ON 31-03-2022 IS AS UNDER:**

Name of the Director along with designation in Raghuvir Synthetics Limited	Category of Director in Raghuvir Synthetics Limited	No. of other BOD where a Director is a Member or Chairperson	Details of Committees in other Companies*		No. of Shares held in Raghuvir Synthetics Limited as at 31.03.2022	List of Directorship held in other Listed Companies and Category of Directorship
			Chairman	Member		
Mr. Sunil Agarwal DIN: 00265303 Designation: Chairman & Managing Director	Promoter, Executive & Non-Independent Director	6	NIL	1	1,21,66,240	-----
Mr. Yash Agarwal DIN: 02170408 Designation: Joint Managing Director	Promoter, Executive & Non-Independent Director	6	NIL	NIL	43,92,030	-----
Mr. Hardik Agarwal DIN: 03546802 Designation: Joint Managing Director	Promoter, Executive & Non-Independent Director	7	NIL	NIL	37,48,270	-----
Mrs. Pamita Agarwal DIN: 07135868 Designation: Non-Executive Director	Promoter, Non-Executive & Non-Independent Director	1	NIL	1	87,19,210	-----
Mr. Samir Sheth DIN: 01285752 Designation: Independent Director	Non-executive & Independent Director	10	NIL	2	58,320	-----
Mr. Kamal Patel DIN: 02740853 Designation: Independent Director	Non-executive & Independent Director	1	2	NIL	7500	-----
Mr. Anup Agarwal DIN: 01790620	Non-executive & Independent	1	NIL	NIL	-----	-----

Designation: Independent Director	Director					
Mr. Nishit Joshi DIN: 06749898 Designation: Independent Director	Non- executive & Independent Director	-----	NIL	NIL	-----	-----

\*Committee positions only of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee in Public Companies have been considered.

**B. ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND GENERAL MEETINGS:**

During the FY 2021-2022, the Board of Directors of your Company met 15 (Fifteen) times as mentioned along with the details of Directors and their attendance at the Board Meetings and General Meetings of the Company are as under:-

**BOARD MEETINGS HELD DURING THE YEAR:**

Sr. No.	Date on which Board Meetings were held	Total Strength of the Board	No. of Directors Present
1	01/04/2021	8	8
2	20/04/2021	8	6
3	24/06/2021	8	8
4	24/07/2021	8	8
5	10/08/2021	8	8
6	25/08/2021	8	7
7	28/09/2021	8	8
8	18/10/2021	8	7
9	25/10/2021	8	8
10	01/11/2021	8	8
11	26/11/2021	8	8
12	13/12/2021	8	7
13	03/01/2022	8	7
14	31/01/2022	8	8
15	11/02/2022	8	7

**ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND GENERAL MEETINGS:**

Sr .No.	Name of Directors	No. of Meeting Held	No. of Meeting Attended	Attendance at last AGM held on 15 <sup>th</sup> September, 2021
1.	Sunil Agarwal	15	15	Y
2.	Yash Agarwal	15	14	Y
3.	Hardik Agarwal	15	12	Y
4.	Pamita Agarwal	15	15	Y
5.	Anup Agarwal	15	15	Y
6.	Samirbhai Sheth	15	15	Y

7.	Kamalbhai Patel	15	13	N
8	Nishitbhai Joshi	15	14	Y

**C. WEB LINK WHERE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS IS DISCLOSED:**

Various corporate governance policies are available on the Company's website at <http://www.raghuvir.com/policies.html>.

**D. CODE OF CONDUCT:**

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management Personnel of the Company. The said code of conduct is available on the website of the Company [http://www.raghuvir.com/code\\_conduct.html](http://www.raghuvir.com/code_conduct.html). A declaration by Mr. Sunil Agarwal, Chairman & Managing Director and Mr. Yash Agarwal & Mr. Hardik Agarwal, Joint Managing Directors, of the Company, regarding compliance by the Board members and Senior Management Personnel, with the said code of conduct, forms the part of this report.

**E. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mr. Sunil Raghuvirprasad Agarwal, Chairman & Managing Director, himself and 3 other Directors, Mr. Yash Sunil Agarwal & Mr. Hardik Sunil Agarwal, Joint Managing Directors, Son of Mr. Sunil Raghuvirprasad Agarwal, and Mrs. Pamita Sunil Agarwal, Non-Executive Director of the Company, Wife of Mr. Sunil Raghuvirprasad Agarwal, being related to Mr. Sunil Raghuvirprasad Agarwal. There is no relationship between other Directors and Key Managerial Personnel.

**F. CHART OR A MATRIX SETTING OUT THE SKILLS/ EXPERTISE/ COMPETENCIES OF THE BOARD OF DIRECTORS:**

The following skills / expertise / competencies required in the context of Company's businesses have been identified by the Board for it to function effectively viz.:

(i) Business Strategy, Planning and Corporate Management; (ii) Accounting & Financial Skills; (iii) Marketing; (iv) Communication & Personal values such as integrity, accountability, and high performance standards; (v) Corporate Governance; (vi) Legal & Risk Management.

GIVEN BELOW IS A LIST OF CORE SKILLS / EXPERTISE / COMPETENCIES OF THE INDIVIDUAL DIRECTORS:

Name of Directors	SKILLS / EXPERTISE / COMPETENCIES					
	Business Strategy, Planning and Corporate Management	Accounting & Financial Skills	Marketing	Communication & Personal values such as integrity, accountability, and high performance standards.	Corporate Governance	Legal & Risk Management
Mr. Sunil Agarwal	✓	✓	✓	✓	✓	✓
Mr. Yash Agarwal	✓	✓	✓	✓	✓	✓
Mr. Hardik Agarwal	✓	✓	✓	✓	✓	✓
Mr. Samir Sheth	✓	✓	✓	✓	✓	✓
Mr. Kamal Patel	✓	✓	✓	✓	✓	✓
Mr. Anup Agarwal	✓	✓	✓	✓	✓	✓
Mrs Pamita Agarwal	✓	✓	✓	✓	✓	✓
Mr. Nishit Joshi	✓	✓	✓	✓	✓	✓

Note: These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

On the performance evaluation of each and every Director, the Chairman of the Company, Board Meetings and Committee meetings, the Nomination and Remuneration Committee provides ratings based on each criteria and sub-criteria as per the Board evaluation policy adopted by the company which can be accessed via following web link at <http://www.raghuvir.com/policies.html>.

The Board of Directors expressed their satisfaction with the evaluation process.

**G. CONFIRMATION FROM THE BOARD OF DIRECTORS IN CONTEXT TO INDEPENDENT DIRECTORS:**

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

**H. DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED:**

No Independent Director has resigned before expiry of his tenure.

**2) AUDIT COMMITTEE**

The Audit Committee, comprising four Directors, all being Non-Executive & Independent Directors and all of them have financial and accounting knowledge. The constitution of Audit Committee also meets with the requirements under Section 177 of the Act and as per Regulation 18 of Listing Regulations. Members are regularly present at the meetings.

**A. TERMS OF REFERENCE:**

- a. Review the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- b. Review with the management, performance of statutory and internal auditors and review of adequacy of the internal control systems;
- c. Discussion with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- d. Discussion with internal auditors on any significant findings and follow up thereon;
- e. Recommend appointment of Statutory, Internal and Cost Auditors and their remuneration;
- f. Review statement of significant related party transactions
- g. Review the internal audit reports relating to internal control weaknesses;
- h. Scrutinize inter-corporate loans and investments;
- i. Review the functioning of the Whistle blower mechanism; and

The detailed terms of reference, responsibilities, duties and functions of Audit committee are placed Company's website, can be accessed via following web link at <http://www.raghuvir.com/policies.html>.

**B. NUMBER OF AUDIT COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR 2021-2022 AND DATES OF THE MEETINGS:**



Audit Committee Meeting	Date	Audit Committee Meeting	Date
1.	01/04/2021	6.	18/10/2021
2.	24/06/2021	7.	01/11/2021
3.	24/07/2021	8.	26/11/2021
4.	10/08/2021	9.	31/01/2022
5.	28/09/2021	10.	11/02/2022

**C. THE COMPOSITION OF AN AUDIT COMMITTEE AS ON 31.03.2022 AND DETAILS OF COMMITTEE MEETINGS ATTENDED BY MEMBERS ARE AS UNDER:**

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	10	10
Mr. Kamal Patel	Member	Independent & Non-Executive	10	10
Mr. Samir Sheth	Member	Independent & Non-Executive	10	10
Mr. Anup Agarwal	Member	Independent & Non-Executive	10	10

**3) NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee, comprising four Directors, all being Non-Executive & Independent Directors. The brief description of Terms of Reference of Nomination and Remuneration Committee is to guide the Board in relation to the appointment and removal, identifying persons and to recommend/ review remuneration of the directors including Whole-time/ Executive Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

**A. TERMS OF REFERENCE:**

- Recommend to the Board the setup and composition of the Board and its committees.
- Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel.
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- Oversee familiarization programs for Directors.

The detailed terms of reference, responsibilities, duties and functions of Nomination and Remuneration Committee are placed Company's website, can be accessed via following web link at <http://www.raghuvir.com/policies.html>.

**B. NUMBER OF NOMINATION AND REMUNERATION COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR 2021-2022 AND DATES OF THE MEETINGS:**

Nomination and Remuneration Committee Meeting	Date
1	24/07/2021
2	10/08/2021
3	01/11/2021

**C. THE COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE AS ON 31.03.2022 AND THE DETAILS OF THE MEETINGS ATTENDED BY THE DIRECTORS ARE GIVEN BELOW:**

Name of the Member	Designation	Category	Committee Meeting held	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	3	3
Mr. Kamal Patel	Member	Independent & Non-Executive	3	3
Mr. Samir Sheth	Member	Independent & Non-Executive	3	3
Mr. Anup Agarwal	Member	Independent & Non-Executive	3	3

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

The framework used to evaluate the performance of the Independent Directors is based on the expectation that they are performing their duties in a manner which should create and continue to build sustainable value for the shareholders, and in accordance with the duties and obligations imposed upon them.

Some of the specific issues and concerns that should be considered in the performance evaluation of an Independent Director's, (the exercise in which the concerned director being evaluated shall not be included) are set out below:

- Attendance and participations in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non —independence, as and when it exists and disclosure of interest
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings
- Interpersonal relations with other directors and management.
- Objective evaluation of Board's performance, rendering independent, unbiased opinion
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information

**E. PERFORMANCE OF THE DIRECTORS:**

Evaluation Survey of the Executive / Non –Executive Directors of the Company was carried out by entire Board of members except the Director being evaluated. Evaluation Survey of Independent Director was also carried on by the entire Board of Directors in the same way as it is done for the Executive Directors of the Company except the Director getting evaluated. Based on the performance evaluation of each and every Director and the Chairman of the Company, the Nomination and Remuneration Committee provides ratings based on each criteria and sub-criteria in accordance with the Nomination and Remuneration Policy of the Company, the Code

of Conduct of the Directors and the criteria for the evaluation of the performance as prescribed in Directors' Performance Evaluation Policy. The Directors' Performance Evaluation Policy is also disclose website of the Company at <http://www.raghuvir.com/policies.html>.

The meeting for the purpose of evaluation of performance of Board Members by Nomination and Remuneration committee was held on 1<sup>st</sup> November, 2021. The Board of Directors expressed their satisfaction with the evaluation process.

**F. FULFILMENT OF THE INDEPENDENCE CRITERIA AS SPECIFIED & THEIR INDEPENDENCE FROM THE MANAGEMENT:**

The Company has received necessary declaration from each independent director under Section 149(7) of the Act that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

**4) STAKEHOLDER RELATIONSHIP COMMITTEE**

Pursuant to provisions of Section 178(5) of the Act read with Regulation 20 of the Listing Regulations of Stakeholder Relationship Committee of the Board has been constituted.

**A. TERMS OF REFERENCE:**

- a. Consider and resolve the grievances of security holders.
- b. Consider and approve issue of share certificates, transfer and transmission of securities, etc.

The detailed terms of reference, responsibilities, duties and functions of Stakeholder/ Shareholder Relationship committee are placed Company's website, can be accessed via following web link at <http://www.raghuvir.com/policies.html>.

**B. NUMBER OF COMMITTEE MEETINGS HELD DURING THE FINANCIAL YEAR 2021 -2022 AND DATES OF THE MEETINGS:**

Stakeholder Relationship Committee Meeting	Date	Stakeholder Relationship Committee Meeting	Date
1	24/06/2021	5	18/10/2021
2	10/08/2021	6	25/10/2021
3	25/08/2021	7	01/11/2021
4	28/09/2021	8	11/02/2022

**C. THE COMPOSITION OF STAKEHOLDER RELATIONSHIP COMMITTEE AS ON 31.03.2022 AND DETAILS OF COMMITTEE MEETINGS ATTENDED BY DIRECTOR ARE AS UNDER:**

Name of the Member	Designation	Category	No. of Committee Meetings held	Committee Meeting attended
Mr. Nishit Joshi	Chairman	Independent & Non-Executive	8	8
Mr. Kamal Patel	Member	Independent & Non-Executive	8	8
Mr. Samir Sheth	Member	Independent & Non-Executive	8	8
Mr. Anup Agarwal	Member	Independent & Non-Executive	8	8

**D. INVESTOR GRIEVANCE REDRESSAL:**

Number of complaints received and resolved during the year ending on 31<sup>st</sup> March, 2022 is as follows:-

Number of complaints as on 1 <sup>st</sup> April, 2021	NIL
Number of complaints received during the year ended on 31 <sup>st</sup> March, 2022	23
Number of complaints resolved up to 31 <sup>st</sup> March, 2022	21
Number of complaints pending as on 31 <sup>st</sup> March, 2022	2

**5) REMUNERATION OF DIRECTORS**

**A. Pecuniary Relationships or Transaction of Non-Executive Directors Vis-A-Vis the Company:**

There is no pecuniary relationship or transaction of the Non-executive Directors vis-à-vis the Listed Entity.

**B. The details of the remuneration paid to the Directors:**

Name of the Director	Gross Salary	Commission on Amount	Stock Option	Others, if any	Total Amount
Mr. Sunil R. Agarwal	Rs.360/- Lakhs p.a.	-	-	-	Rs.360/- Lakhs p.a.

**C. Criteria for making Payment to Non-executive Directors:**

No remuneration, commission, sitting fees, etc. was paid to any Non-executive Director during the FY 2021-22.

**D. The details of Sitting fees/Commission paid to the Non-executive Directors for the FY 2021-2022: NA**

**E. ADDITIONAL DISCLOSURE APART FROM DISCLOSURES MENTIONED IN THE COMPANIES ACT, 2013:**

**a. All elements of remuneration package of Individual Directors summarized under major groups, such as salary, benefits, bonuses etc.:**

All the details regarding composition of the remuneration package of Individual Directors are disclosed hereinabove. During the FY 2021-22, remuneration of Rs.360/- Lakhs p.a. was paid to Mr. Sunil R. Agarwal only. No remuneration, commission, sitting fee, etc. was paid to any other Director.

**b. Details of fixed component and performance linked incentives, along with the performance criteria:**

No fixed component and performance linked incentives was given to any Director except payment of remuneration to Mr. Sunil Raghbirprasad Agarwal mentioned hereinabove.

**c. Service Contracts, Notice Period and Severance Fees:**

The employment of Managing Director shall terminate automatically in the event of his ceasing to be a Director of the Company in the General Meeting and/or in the event of his resignation as a Director of the Company and subsequent acceptance of the resignation by the Board and no severance fee is payable to the Managing Director. Notice period shall be as per the appointment letter issued by the Company at the time of joining. No director shall be paid severance fees.

**d. Stock Option details, if any:**

The Company has not granted any Stock Option to any employee of the Company during the FY 2021-22.

**F. The details of remuneration paid to the Key Managerial Personnel (KMP) for the FY 2021-22:**

Name of the KMP	Salary & allowances **(Amount in Rs. in lakhs per annum)	Commission Amount (Rs.)	Contribution of Provident Fund Gratuity & other perquisites	Total Amount (Rs in lakhs per annum.)
Mr. Vikram R. Gupta (Chief Financial Officer)- Resigned w.e.f. 03.01.2022	5.31	-----	-----	5.31
Ms. Pratika P. Bothra (Company Secretary & Compliance Officer)- Resigned w.e.f. 24.07.2021	1.52	-----	-----	1.52
Mrs. Swati Jain (Company Secretary & Compliance Officer)- Appointed w.e.f. 24.07.2021	2.56	-----	-----	2.56

\*\* Salary and Allowances provided above are in proportion to their tenure in the Company.

#### 6) CHAIRMAN/MANAGING DIRECTOR AND CFO CERTIFICATION

The Chairman & Managing Director and CFO have issued certificate pursuant to the provisions of under Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of this Annual Report.

#### 7) GENERAL BODY MEETINGS

##### A. DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING LAST THREE YEARS ARE AS UNDER:

Date	Time	Location/ Venue	Special Resolutions Passed
27/09/2019	12.30 P.M.	Rakhial Road, Rakhial, Ahmedabad-23	1) Appointment of Mr. Samir Sheth (Independent Director) for 2 <sup>nd</sup> term 2) Appointment of Mr. Kamalbhai Patel (Independent Director) for 2 <sup>nd</sup> term 3) Approval for payment of commission to Mrs. Pamita Agarwal (Non-executive Director)
21/12/2020	12.30 P.M.	Rakhial Road, Rakhial, Ahmedabad-23	1) Approval for payment of commission to Mrs. Pamita Agarwal (Non-executive Director) 2) Appointment of Mr. Anup Agarwal (Independent Director) for 2 <sup>nd</sup> term 3) Appointment of Mr. Nishit C. Joshi (Independent Director) for 2 <sup>nd</sup> term
15/09/2021	12.30 P.M.	Rakhial Road, Rakhial, Ahmedabad-23	1) Approval for payment of commission to Mrs. Pamita Agarwal (Non-executive Director) 2) Approved the re-appointment of Mr. Sunil R. Agarwal as the Chairman & Managing Director (Key Managerial Personnel)

			3) Approval to split the equity share capital of the company 4) Approval of the amendment in the capital clause of the Memorandum of Association of the Company
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There were no Special Resolutions passed last year through postal ballot.

**B. EXTRA-ORDINARY GENERAL MEETINGS:**

No Extra-ordinary General Meeting of the Members was held during the FY 2021-22.

**8) MEANS OF COMMUNICATIONS**

**A. FINANCIAL RESULTS:**

The Company follows April-March as the Financial Year. The meetings of the Board of Directors for approval of quarterly and annual financial results for the FY ended 31<sup>st</sup> March, 2022 were held on the following dates:

Particulars	Date
Quarter ended 30 <sup>th</sup> June, 2021	10 <sup>th</sup> August, 2021
Quarter/half-year ended 30 <sup>th</sup> September, 2021	1 <sup>st</sup> November, 2021
Quarter/nine months ended 31 <sup>st</sup> December, 2021	11 <sup>th</sup> February, 2022
Quarter/year ended 31 <sup>st</sup> March, 2022	27 <sup>th</sup> May, 2022

**B. NEWSPAPERS WHEREIN RESULTS NORMALLY PUBLISHED:**

The Company publishes financial results in “Business Standard” an English language national daily newspaper circulating in the whole or substantially the whole of India and in “Jay Hind” newspaper published in the language of the region (Gujarati), where the registered office of the listed entity is situated.

**C. WEBSITE:**

The Company's website <http://www.raghuvir.com/> contains a separate dedicated section namely “INVESTORS” where shareholders information is available. The Financial Results of the Company is also available on the website of the Company.

**9) GENERAL SHAREHOLDERS’ INFORMATION**

**A. ANNUAL GENERAL MEETING (AGM) FOR 2022:**

**Day and Date:** Monday, 26<sup>th</sup> September, 2022

**Time:** 12:00 PM

**Venue:** Rakhial Road, Rakhial, Ahmedabad – 380023, Gujarat, India

For details, please refer to the Notice of this 40<sup>th</sup> AGM.

As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 on General Meetings, particulars of Director seeking re-appointment at this AGM are given in the Notice of this AGM.

**B. FINANCIAL YEAR: 2021-2022**

The financial year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March. The tentative schedule of the Board Meetings for approval of Quarterly Financial Results is as under:

Particulars	Tentative Schedule*/Board Meeting Date
<b>Quarterly Unaudited Result</b>	
Quarter Ending 30 <sup>th</sup> June, 2022	09 <sup>th</sup> August, 2022
Quarter Ending 30 <sup>th</sup> September, 2022	Within 45 days from quarter ended on 30 <sup>th</sup> September, 2022
Quarter Ending 31 <sup>st</sup> December, 2022	Within 45 days from quarter ended on 31 <sup>st</sup> December, 2022
<b>Annual Audited Result</b>	
Year ending 31 <sup>st</sup> March, 2023	Within 60 days from 31 <sup>st</sup> March, 2023

\*The time limit may change subject to any extension provided by the ROC/ SEBI / Stock Exchange.

**C. DIVIDEND: Nil**

**D. LISTING ON STOCK EXCHANGES:**

Name of the Stock Exchange	Stock Code
The BSE Limited (BSE)	514316
Calcutta Stock Exchange*	28124
ISIN for Equity Shares held in Demat form with NSDL and CDSL	INE969C01022

\*The Status of the Company in Calcutta Stock Exchange Ltd. is "SUSPENDED". The Company has paid fee(s) for revocation of suspension and complied with all the compliances for complying with revocation of suspension from the Exchange. The Company has also paid the Annual Listing Fees to Calcutta Stock Exchange Ltd. for the FY 2021-22. The process of revocation of suspension is pending at the end of the actions to be taken by Calcutta Stock Exchange Ltd.

**E. LISTING FEES:**

- The Company has paid the annual listing fees to the Bombay Stock Exchange for the FY 2021-22.
- The Company has paid the annual listing fees to Calcutta Stock Exchange for the FY 2021-22.

**F. MARKET PRICE DATA:**

The Stock Market Price Data of Trading of Equity Shares of the Company at Bombay Stock Exchange for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022:

Month	BSE	
	High Price (Rs.)	Low Price (Rs.)
April-21	208	171.5
May-21	222	188.2
June-21	219	184.6
July-21	323.25	188.5
August-21	705.15	333
September-21	740	629
October-21	1394.4	146.4
November-21	406.55	161.35
December-21	1026.5	426.85
January-22	718.8	271.55
February-22	266.9	161.5

March-22	227.9	142
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Performance of the stock of the Company vis-à-vis Sensex:

Month	Stock of Company (Rs.)	Sensex
April-21	190	15286
May-21	205	15721
June-21	202	16436
July-21	256	16515
August-21	519	17318
September-21	685	18367
October-21	770	18896
November-21	284	18331
December-21	727	17847
January-22	495	18440
February-22	214	17816
March-22	185	17405

**G. REGISTRAR & TRANSFER AGENTS (RTA):**

Link Intime India Private Limited

506 To 508, Amarnath Business Centre-1, Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off. Chimanlal Girdharlal Rd., Sardar Patel Nagar, Ellisbridge, Ahmedabad-380006, Gujarat, India

Contact: 079-26465179

Email ID: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

**H. SHARE TRANSFER SYSTEM:**

Members may please note that the SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities Certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at [www.raghuvir.com](http://www.raghuvir.com) and on the website of the Company's RTA at <https://linkintime.co.in/downloads.html>. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.

**I. NAME, DESIGNATION AND CONTACT DETAILS OF COMPLIANCE OFFICER :**

Name: Mrs. Swati Jain

Designation: Company Secretary

Contact Details: Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad-380023, Gujarat, India

Telephone: 079-22910963-1015-1902

**J. SHARE HOLDING PATTERN AS ON 31<sup>st</sup> MARCH, 2022:**



Sr. No.	Category	No. of Shares held	% of Share Holding
1.	Promoters	2,90,25,750	74.91
2.	Clearing Member	5,060	0.01
3.	Body Corporate – LLP	16,136	0.04
4.	Other Body Corporate	5,56,396	1.44
5.	HUF	1,77,402	0.46
6.	NRIs	6,343	0.02
7.	Non Resident (Non Repatriable)	8,963	0.02
8.	Public	88,01,206	22.71
9.	Foreign Portfolio Investors	1,52,744	0.39
	<b>Grand Total</b>	<b>3,87,50,000</b>	<b>100.00</b>

**K. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2022:**

Shares Range			Number of Shareholders	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
1	To	500	8323	70.49	419882	1.08
501	To	1000	2507	21.23	2446914	6.31
1001	to	2000	537	4.55	1015499	2.62
2001	to	3000	109	0.92	308511	0.80
3001	to	4000	39	0.33	148028	0.38
4001	to	5000	115	0.97	568626	1.47
5001	to	10000	102	0.86	886196	2.29
10001	to	*****	76	0.64	32956344	85.05
<b>TOTAL</b>			<b>11808</b>	<b>100</b>	<b>38750000</b>	<b>100.00</b>

**L. DEMATERIALISATION OF SHARES AND LIQUIDITY:**

The Company's Shares are available for dematerialization on both the Depositories Viz. National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). As on March 31, 2022 almost 89.38% of the Company's total paid-up capital representing 3,46,33,860 shares were in dematerialized form.

**M. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND IT'S HEDGING:**

During the FY 2021-22, the Company has managed the foreign exchange risk. The Company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The details of foreign currency exposure are disclosed in notes to Standalone/Consolidated Financial Statements.

**N. TRANSFER OF SECURITIES:**

The SEBI vide its Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7<sup>th</sup> September, 2020, has fixed 31<sup>st</sup> March, 2021 as the Cut-off date for re-lodgement of Transfer Deeds and any request received after 31<sup>st</sup> March, 2021 cannot be accepted. The Transferee has to coordinate with the Transferor to convert the physical shares held by the Transferor into his Demat and arrange to have the same transferred in his demat account.

**O. OUTSTANDING GDR/ADRS/ WARRANT OR ANY CONVERTIBLE INSTRUMENT, CONVERSION AND LIKELY IMPACT ON EQUITY:**

NIL

**P. PLANT/ FACTORY LOCATION:**

Nr. Gujarat Bottling,  
Rakhial Road, Rakhial  
Ahmedabad – 380023  
Gujarat (India)

**Q. REGISTERED OFFICE ADDRESS FOR CORRESPONDENCE:**

**Raghuvir Synthetics Limited**

Nr. Gujarat Bottling, Rakhial Road,  
Rakhial, Ahmedabad-380 023.  
Phone: 079-22911015-22911902-22910963  
Website address: [www.raghuvir.com](http://www.raghuvir.com)  
Email Id: [info@raghuvir.com](mailto:info@raghuvir.com)

**10) OTHER DISCLOSURES**

- A. We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandate the formulation of certain policies for all listed companies. The corporate governance policies are available on the Company's website, at web link at <http://www.raghuvir.com/policies.html>.  
The policies are reviewed periodically by the Board and updated as needed. Key policies that have been adopted are as follows:

ADOPTED POLICIES BY COMPANY
POLICY ON DETERMINATION OF MATERIALITY OF EVENTS
POLICY ON AUDIT COMMITTEE
POLICY ON NOMINATION AND REMUNERATION COMMITTEE
POLICY ON STAKEHOLDER RELATIONSHIP COMMITTEE
POLICY ON MATERIALITY OF RELATED PARTY TRANSACTIONS & DEALING WITH RELATED PARTY TRANSACTIONS
POLICY ON TERMS & CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTOR
WHISTLE BLOWER POLICY
CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (AMENDED)
FAMILARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR
POLICY ON ARCHIVAL OF DOCUMENTS
POLICY ON PRESERVATION OF DOCUMENTS
POLICY ON THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013
RISK MANAGEMENT POLICY
DIRECTORS PERFORMANCE EVALUATION POLICY (INCLUDED IN POLICY OF NOMINATION AND REMUNERATION COMMITTEE)
POLICY RELATING TO THE REMUNERATION FOR THE EXECUTIVE DIRECTOR, NON-EXECUTIVE/ INDEPENDENT DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL
POLICY ON MANAGEMENT ADVISORY & GOVERNANCE COMMITTEE
CODE OF CONDUCT OF BOARD MEMBERS & SENIOR MANAGEMENT PERSONNEL

**B. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:**

There was no materially significant related party transactions that may have potential conflict with the interest of the Listed Entity at large.

**C. DETAILS OF NON - COMPLIANCE BY THE COMPANY, PENALTY, STRICTURES IMPOSED ON THE COMPANY BY THE STOCK EXCHANGE OR SEBI OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS:**

No penalties or strictures have been imposed on the Company by Bombay Stock Exchange or SEBI or any statutory authority on any matter related to capital Markets during the last three years.

**D. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY IS AVAILABLE ON THE WEBSITE OF THE COMPANY:**

The Company has a Whistle Blower Policy to deal with instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct, if any. The Whistle Blower Policy is posted on the website of the Company.

The Board affirms that no personnel have been denied access to the Audit Committee.

**E. DETAILS OF MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS:**

Your Company has, during the year under review, made compliance with all the mandatory requirement under various laws. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the Listing Regulations, is as under:

- a. **Shareholders Rights:** Half yearly financial results are published in newspaper and also uploaded on website of the Company. Therefore, the financial results has not been sent to each household of shareholders.
- b. **Modified opinion(s) in Audit Report:** For the FY 2021-22, the Statutory Auditor has expressed unmodified opinion.
- c. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

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

The Company has obtained a certificate from Mr. Premnarayan R. Tripathi (PCS), Designated Partner of SPAN & Co. Company Secretaries LLP that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. Such Certificate forms the Part of this report.

**G. RECOMMENDATION OF THE COMMITTEE TO THE BOARD OF DIRECTORS WHETHER PLACED AND ACCEPTED:**

Any recommendations given by the Committees of the Board are required to be placed before the Board. The Board has accepted all the recommendations by Committees of the Board during the financial year ended 31<sup>st</sup> March, 2022.

**H. TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART:**

M/s. Ashok K. Bhatt & Co., Chartered Accountants, having FRN: 100657W was the Statutory Auditor of the Company for the FY 2021-22 and M/s. G. K. Choksi & Co., Chartered Accountants, having FRN: 101895W, was the Statutory Auditor of Dreamsoft Bedsheets Private Limited, Subsidiary of the Company, for the FY 2021-22. The particulars of payment of Statutory Auditors' Fee, on consolidated basis for the FY 2021-22 is given below:

Particulars	Amount (In Rs.)
Fees for audit and related services of M/s. Ashok K. Bhatt & Co. for Raghuvir Synthetics Limited	3,00,000/- (plus applicable taxes and out of pocket expenses)
Fees for audit and related services of M/s. G. K. Choksi & Co. for Dreamsoft Bedsheets Private Limited	25,000/- (plus applicable taxes and out of pocket expenses)

- I. All Accounting Standards mandatorily required have been followed without exception in preparation of the financial statements.
- J. Procedures for assessment of risk and its minimisation have been laid down by the Company and reviewed by the Board. These procedures are periodically reassessed to ensure that executive management controls risks through means of a properly defined framework.
- K. **DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

No. of complaints filed during the financial year	0
No. of complaints disposed of during the financial year	0
No. of complaints pending as on end of the financial year	0

- L. **DETAILS REGARDING COMPLIANCE WITH THE REQUIREMENT OF CORPORATE GOVERNANCE REPORT:**  
The Company has made compliance with the all the requirements of Corporate Governance Report as mentioned in sub-paras (2) to (10) of para C of Schedule v of the Listing Regulations.
- M. No money was raised by the Company through public issue, rights issue etc. in the last financial year.
- N. All pecuniary relationships or transactions, if any, of the Non-Executive Directors with the Company have been disclosed in report.
- O. Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required by Regulation 34(3) of the Listing Regulations.
- P. There were no material financial & commercial transactions by Senior Management as defined in Regulation 26 of the Listing Regulations where they have any personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.
- Q. **LARGE CORPORATE:**  
With reference to the SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 with respect to fund raising by issuance of Debt Securities by large entities and disclosures and Compliances thereof by such large entities. Respective to it, RAGHUVIR SYNTHETICS LIMITED does not fall under the criteria of "Large Corporate" as on 31<sup>st</sup> March, 2022 as specified in para 2.2 of the said SEBI Circular. Henceforth, disclosures and Compliances mentioned therein to be done by Large Corporate are not applicable to your Company.

- R. No Commission and Sitting Fees was paid to Mrs. Pamita S. Agarwal, Non-executive Non Independent Director of the Company for the FY 2021-2022. No Sitting Fees was paid to any Non-Executive Independent Directors of the Company for the FY 2021-2022.
- S. The Company is taking utmost care of its staff and work force like sanitization social distancing, mandatory mask wearing and maintaining proper hygiene.
- T. The KYC of all the Directors have been filed under MCA Portal for the F.Y 2021-2022.
- U. **INDEPENDENT DIRECTOR DATABANK REGISTRATION:**  
Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Independent Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

Date: 25/08/2022  
Place: Ahmedabad

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-F

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

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out as under:

CONSERVATION OF ENERGY		
A	The steps taken or impact on conservation of energy	<ul style="list-style-type: none"> <li>Now a days when there looms a threat of being depleted with all the Non-renewable resources of energy (such as Petrol, Diesel, Coal etc.) within an estimated future time, your Company takes all the steps to ensure that energy be utilized with caution and conserve the energy.</li> <li>The Company being engaged in the industry where the production is closely associated with the utilization of various form of energy, your Company has devised production schedules in such a way that make optimal use of energy while achieving the production goals.</li> <li>Replacement of conventional lights with energy efficient LED lights.</li> </ul>
B	Steps taken by the Company for utilizing alternate sources of energy	Installation of Solar power plan.
C	The Capital investment on energy conservation equipment	<p>Your Company have not made any Capital Investment on energy conservation equipment.</p> <p>Company continues to make various revenue expenditure on energy conservation equipment.</p>
TECHNOLOGY ABSORPTION		
A	the efforts towards technology absorption	The Company is using indigenous technology and there is no plan for introducing new technology as of now.
B	the benefit derived like product improvement, cost reduction, product development or import substitution	Not measurable
C	<p>In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p>(a) the details of technology imported</p> <p>(b) the year of import</p> <p>(c) whether the technology been fully absorbed</p> <p>(d) if not fully absorbed, areas where absorption has not taken place and the reasons thereof</p>	NA

D	the expenditure incurred on Research and Development	NA
<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
A	Foreign exchange earnings in terms of actual inflows	-
B	Foreign exchange outgo in terms of actual outflows	Rs.3,32,65,033/-

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-G

### Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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

CSR Policy of the Company is available on website of the Company at <https://www.raghuvir.com/policies>.

**2) Composition of CSR Committee**

In terms of Section 135(9) of the Companies Act, 2013 ("Act"), as the amount to be spent by the Company under sub-section (5) does not exceed Rs.50 Lakhs, the requirement for constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

Hence, the Company has not constituted the CSR Committee and the functions of such Committee are being discharged by the Board of Directors of the Company.

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

As mentioned hereinabove, the Company has not constitutes the CSR Committee as it is not applicable to the Company pursuant to Section 135(9). Further, the CSR Policy approved and adopted by the Board of Directors of the Company is uploaded on the website of the Company at <https://www.raghuvir.com/policies>.

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

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

**6) Average net profit of the Company as per section 135(5) - Rs.526.08 Lakhs**

**7) (a) Two percent of average net profit of the Company as per section 135(5) – Rs.10.52 Lakhs**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NA

(c) Amount required to be set off for the financial year, if any - NA

(d) Total CSR obligation for the financial year (7a+7b-7c) – Rs.10.52 Lakhs

**8) a) CSR amount spent or unspent for the financial year – Rs.35.50 Lakhs**

b) Details of CSR amount spent against ongoing projects for the financial year – NA



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

Sr. No.	Name of Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation-Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Reg. No.
1	Sardardham Building Project and related activities	Promotion of education	Yes	Gujarat	Ahmedabad	35.50 Lakhs	No	Sardardham	CSR000 03148

d) Amount spent in Administrative Overheads – NIL

e) Amount spent on Impact Assessment, if applicable – NA

f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs.35.50 Lakhs

g) Excess amount for set off, if any – Rs.24.98 Lakhs

9) a) Details of Unspent CSR amount for the preceding three financial years - NA

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

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

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – NA

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-H

### PARTICULARS OF EMPLOYEES

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**1. In the Financial Year 2021-2022:**

The remuneration of Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal, Joint Managing Directors of the Company is waived off w.e.f. 1<sup>st</sup> November, 2019.

**2. The remuneration of each Director/ KMP of the Company for the FY 2021-2022 is specified below:**

Sr. No.	Name of Director/ KMP	Total Remuneration for the FY 2021-22 (Rs. in Lakhs Per Annum)*	% Increase or Decrease in Remuneration Paid in FY 2021-22 as compared to FY 2020-21	Ratio of Remuneration of each Directors to the Median Remuneration of the Employee**
1.	Mr. Sunil Agarwal Chairman & Managing Director	360.00	NIL	118.42 Times
2.	Mr. Yash Agarwal Joint Managing Director	NIL	NA	NA
3.	Mr. Hardik Agarwal Joint Managing Director	NIL	NA	NA
4.	Mr. Samir Sheth Independent Director	NIL	NA	NA
5.	Mr. Kamal Patel Independent Director	NIL	NA	NA
6.	Mr. Anup Agarwal Independent Director	NIL	NA	NA
7.	Mrs. Pamita Agarwal Non –Executive Director	NIL	NA	NA
8.	Mr. Nishit Joshi Independent Director	NIL	NA	NA
9.	Mr. Vikram Gupta Chief Financial Officer (Resigned w.e.f. 03.01.2022)	5.31	NIL	NA
10.	Ms. Pratika Bothra Company Secretary & Compliance Officer (Resigned w.e.f. 24.07.2021)	1.52	NIL	NA
11	Mrs. Swati Jain Company Secretary & Compliance Officer (Appointed w.e.f. 24.07.2021)	2.56	NIL	NA

\* Remuneration provided above are in proportion to their tenure in the Company.

\*\*Ratio of remuneration of each Directors to the median remuneration of the Employee is calculated on basis of Gross Salary.

There has been increase of 21.85% in the median remuneration of Employee.

3. There were 69 Employees on the rolls of the Company as on 31<sup>st</sup> March, 2022.
4. It is hereby affirmed that the remuneration paid is as per the Nomination & Remuneration Policy adopted /amended by the Company. The Policy is placed on the website of the Company at <http://www.raghuvir.com/policies.html>.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:  
  
Average percentage increase in remuneration of employees excluding Managerial Personnel: 0.90 %  
Average percentage increase in remuneration of Managerial Personnel: 0%
6. Increase in the Managerial Remuneration and justification thereof: There has been no increase in the Managerial Remuneration during the FY 2021-22.

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## Annexure-I

### **POLICY RELATING TO THE REMUNERATION FOR THE EXECUTIVE DIRECTOR, NON-EXECUTIVE/ INDEPENDENT DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**

#### **GENERAL:**

- a) The remuneration/ compensation/ commission etc. to the Executive Director will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company.
- b) The remuneration and commission to be paid to the Executive Director shall be in accordance with the percentage/ limits/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 (**"the Act"**) and amendment in the act thereon.
- c) Increments to the existing remuneration/ compensation structure in the case of Executive Director may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders and in accordance with the provisions of Section 197 and Schedule V of the Act.
- d) Where any insurance is taken by the Company or its Holding Company on behalf of the Company's Executive Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- e) Remuneration of other KMP or Senior Management Personnel shall be as per the policy of the Company as duly approved by the Committee.
- f) Reimbursement of Expenses: The Directors would be entitled to reimbursement of expenses incurred for attending the Board/ Committee meetings and other meetings.

#### **REMUNERATION TO EXECUTIVE DIRECTOR/ KMP AND SENIOR MANAGEMENT PERSONNEL:**

- a) **Fixed Pay:**  
The Executive Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee. The monthly remuneration of Senior Management Personnel shall be as per the policy of the Company duly approved by the Committee.
- b) **Commission:**  
Commission may be paid to the Executive Director, as may be applicable, within the monetary limit approved by shareholders, subject to the limits prescribed under the applicable provisions of the Act.
- c) **Minimum Remuneration:**  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Director in accordance with the provisions Schedule V of the Act.

**d) Provisions for excess remuneration:**

If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval required under the Act,, he/ she shall refund such sums to the Company as prescribed under the Act and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by the shareholder as prescribed under the Act.

**REMUNERATION TO NON-EXECUTIVE/ INDEPENDENT DIRECTOR:**

**a) Remuneration/ Commission:**

The remuneration/ commission shall be fixed as per the limits and conditions mentioned in the Articles of Association of the Company, the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"the Listing Regulations"**).

In case the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, it shall be subject to the approval of shareholders by special resolution.

**b) Sitting Fees:**

The Non-Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

**c) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act and as per the criteria approved by the Board from time to time. The Board of Directors will fix the Commission payable to Directors on the basis of number of Board/Committee meetings attended during the year, Chairmanships of Committees and based on contribution and participation of Directors of the Company and their involvement in Company's strategic matters. "Differential Commission may be paid monthly / yearly to all Non – Executive / Independent Directors or selected Non – Executive / Independent Director based on their participation, contribution and active role in the Board and strategic matters of the Company.

**d) Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company. Non-Executive Directors are eligible for Stock options in accordance with Schemes formulated by the Company.

For and on behalf of the Board of Directors  
For, Raghuvir Synthetics Limited

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

## DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

[Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
Raghuvir Synthetics Limited  
Ahmedabad

**Mr. Sunil Raghubirprasad Agarwal, Chairman & Managing Director, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal, Joint Managing Directors** of Raghuvir Synthetics Limited hereby declare that all the Board Members and Senior Executives one level below the Executive Directors including all functional heads have affirmed for the Financial Year ended 31<sup>st</sup> March, 2022, compliance with the code of conduct of the Company laid down for them.

FOR, RAGHUVIR SYNTHETICS LIMITED

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

Yash Sunil Agarwal  
(Joint Managing Director)  
DIN: 02170408

Hardik Sunil Agarwal  
(Joint Managing Director)  
DIN: 03546802

Date: 25/08/2022  
Place: Ahmedabad

**MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION**  
**[Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Board of Director,  
Raghuvir Synthetics Limited  
Ahmedabad

**Mr. Sunil Raghubirprasad Agarwal, Chairman & Managing Director, Mr. Yash Sunil Agarwal and Mr. Hardik Sunil Agarwal, Joint Managing Directors and Mr. Prateek Pareek, Chief Financial Officer,** of the Company hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement of Raghuvir Synthetics Limited for the year ended 31<sup>st</sup> March, 2022 and to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. They accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls & have disclosed it to the Company Auditor's and the Audit committee of the Company Board.
- D. We have disclosed based on our evaluation of the Company internal control over financial reporting wherever applicable to the Company, Auditor's and the Audit Committee of the Company Board:
1. Any significant changes in internal control over financial reporting during the year covered by this report;
  2. Any significant changes in accounting policies during the year covered by this report; and
  3. Any instances of significant fraud of which we have become aware, that involve Management or other employees who have a significant role in the internal control system of the Company over financial reporting.

FOR, RAGHUVIR SYNTHETICS LIMITED

Date: 25/08/2022  
Place: Ahmedabad

Sunil Raghubirprasad Agarwal  
(Chairman & Managing Director)  
DIN: 00265303

Yash Sunil Agarwal  
(Joint Managing Director)  
DIN: 02170408

Hardik Sunil Agarwal  
(Joint Managing Director)  
DIN: 03546802

Prateek Pareek  
(Chief Financial Officer)

## Certificate on Corporate Governance

To,  
The Members of  
**RAGHUVIR SYNTHETICS LIMITED**

We, M/s. **SPAN & Co. Company Secretaries LLP** (having registration no. **AAG-7017**), a firm of Practicing Company Secretaries, have examined the compliance of the conditions of Corporate Governance by **Raghuvir Synthetics Limited** having CIN: **L17119GJ1982PLC005424 ("the Company")** for the year ended 31<sup>st</sup> March 2022, as per regulations 17 to 27, clauses (b) to (i) and (t) of regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with amendments as applicable.

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

In our opinion and to the best of our information and according to the explanation given to us, and based on the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

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**Premnarayan R. Tripathi**  
(Designated Partner)  
**SPAN & Co. Company Secretaries LLP**  
**FCS 8851**  
**COP: 10029**  
**UDIN: F008851D000844202**  
**PR: 800/2020**

**Date: 25/08/2022**  
**Place: Ahmedabad**



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

To,  
The Members,  
RAGHUVIR SYNTHETICS LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. RAGHUVIR SYNTHETICS LIMITED** having **CIN: L17119GJ1982PLC005424** and having registered office at Rakhial Road, Rakhial, Ahmedabad -380023, Gujarat, India (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1	SUNIL RAGHUBIRPRASAD AGARWAL	00265303	18/08/1982
2	SAMIRBHAI RAMESHBHAI SHETH	01285752	01/07/2009
3	ANUP RAMNIWAS AGARWAL	01790620	09/02/2016
4	YASH SUNIL AGARWAL	02170408	08/07/2011
5	KAMALBHAI BANSILAL PATEL	02740853	03/08/2009
6	HARDIK SUNIL AGARWAL	03546802	08/07/2011
7	NISHIT CHANDULAL JOSHI	06749898	11/03/2016
8	PAMITA SUNIL AGARWAL	07135868	26/03/2015

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

**Date:** 25/08/2022  
**Place:** Ahmedabad

Premnarayan R. Tripathi  
(Designated Partner)  
SPAN & Co. Company Secretaries LLP  
FCS 8851 COP: 10029  
UDIN: F008851D000844257  
PR: 800/2020

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**RAGHUVIR SYNTHETICS LIMITED**

**Standalone Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS Financial Statements of **RAGHUVIR SYNTHETICS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"), as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's report, Business Responsibility Report, Corporate Governance Report and Share Holders Information, but does not include the standalone financial statements and our auditor's report thereon. The other information report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
- When we read the other information report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance to initiate actions applicable in the applicable laws and regulations.

### **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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

## ***Ashok K. Bhatt & Co.***

### **Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of Section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer notes 37 to the financial statements.
    - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

## ***Ashok K. Bhatt & Co.***

**Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

- (iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**ASHOK K. BHATT**

*Proprietor*

Mem. No. 36439

UDIN: 22036439AMCPGX8841

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2022

**Annexure - A to the Independent Auditors' Report of even date on the Ind AS Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and relevant details of right-of-use assets *but such records require to be updated as regard to locations and additions/deletions for the year ended 31<sup>st</sup> March 2022.*
- (B) The Company does not have any intangible assets, hence reporting under 3 (i)(a)(B) is not applicable to the company.
- (b) We were informed that all major items of Property, Plant and Equipments were physically verified by the Management at the end of the year and that no discrepancy was noticed on such verification which, on account of proper records being under compilation, could not be verified.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that, the title deeds of immovable properties (other than the properties where the Company is the lessee) are held in the name of the Company.
- (d) According to information and explanation given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, clause 3 (i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) According to information and explanation given to us, the Management of the Company has conducted physical verification of inventory at reasonable intervals and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification during the year.
- (b) According to information and explanation given to us, any point of time of the year, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has made investment in its subsidiary Company, which is prima facie, not prejudicial to the Company's interest. According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year and hence reporting under clause 3(iii)(a),(c ),(d),(e ) and (f) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, wherever applicable with respect to the loans, investments, guarantees and securities.
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014.

# ***Ashok K. Bhatt & Co.***

## **Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company.

- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to rules made by the Central Government. We are of the opinion that prima facie the prescribed accounts and records have been maintained and being made. We have not, however, made a detailed examination of these records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Custom, Cess and other material statutory dues applicable to it with the appropriate authorities and the Company had no arrears of such outstanding statutory dues as at 31<sup>st</sup> March, 2022 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31<sup>st</sup> March, 2022 other than stated below:

[Rupees in Lacs]

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Disputed Amount</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>	<b>Remarks</b>
ESI	Demand Notice issued by ESI Corporation	12.35 (Net of advances)	F. Y. 2000-02	Employee State Insurance Corporation	--

- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to financial institutions, banks or government as at the Balance Sheet Date.
- (b) According to the information and explanations given to us, the Company is a not declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, term loans were applied for the purpose for which the same were obtained.



## ***Ashok K. Bhatt & Co.***

### **Chartered Accountants**

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- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint venture.
- (f) During the year, the Company has raised loans but not on the pledge of securities held in its subsidiary and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no fraud by company or any fraud on the company have been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year and upto the date of this report.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

***Ashok K. Bhatt & Co.***

**Chartered Accountants**

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- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash loss in the financial year ended on 31<sup>st</sup> March, 2022 and on 31<sup>st</sup> March, 2021.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
*Chartered Accountants*

**ASHOK K. BHATT**  
*Proprietor*

Mem. No. 36439

UDIN: 22036439AMCPGX8841

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2022

**Annexure - B to the Independent Auditors' Report of even date on the Ind AS  
Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

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

We have audited the internal financial controls over financial reporting **RAGHUVIR SYNTHETICS LIMITED** ("the Company") as of 31<sup>st</sup> March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**ASHOK K. BHATT**

*Proprietor*

Mem. No. 36439

UDIN: 22036439AMCPGX8841

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2022

**RAGHUVIR SYNTHETICS LIMITED**

**Balance Sheet as at March 31, 2022**

[₹ in Lakhs]

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	3 006.91	3 131.23
Right to Use Asset	6	305.99	317.76
Capital work-in progress	7	450.95	156.36
Financial Assets			
Investments	8	0.51	-
Other Financial Assets	9	91.11	121.60
Other non current assets	10	88.60	1.60
		<b>3 944.07</b>	<b>3 728.55</b>
<b>Current assets</b>			
Inventories	11	1 034.69	1 668.26
Financial assets			
Trade Receivables	12	7.65	466.81
Cash and Cash Equivalents	13	4.99	61.63
Other Bank Balances	14	17.72	24.98
Other Financial Assets	9	187.45	576.98
Current Tax Assets (Net)	15	105.27	30.87
Other Current Assets	10	1 752.94	76.06
		<b>3 110.71</b>	<b>2 905.59</b>
Asset classified held for sale	16	263.50	352.00
		<b>3 374.21</b>	<b>3 257.59</b>
<b>TOTAL ASSETS</b>		<b>7 318.28</b>	<b>6 986.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	17	387.50	385.41
Other Equity	18	2 736.89	2 390.89
		<b>3 124.39</b>	<b>2 776.30</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	19	873.51	979.44
Lease Liabilities	6	329.81	333.09
Provisions	20	22.60	37.06
Deferred Tax liabilities(Net)	21	271.86	286.18
Other Non-current Liabilities	22	2.52	5.76
		<b>1 500.30</b>	<b>1 641.53</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	23	482.60	378.93
Lease Liabilities	6	3.27	2.99
Trade and Other Payables	24		
-Total outstanding dues of Micro and Small Enterprise		-	-
-Total outstanding dues of creditors other than Micro and Small Enterprise		131.22	877.61
Other Financial Liabilities	25	44.62	30.31
Other Current liabilities	22	2,005.40	1 214.76
Provisions	20	26.48	6.98
Current tax liabilities (Net)	26	-	56.73
		<b>2 693.59</b>	<b>2 568.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7 318.28</b>	<b>6 986.14</b>
<b>Significant Accounting Policies</b>		<b>4</b>	

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**

Proprietor

Mem. No. 36439

**SUNIL R. AGARWAL**

Chairman & MD

DIN: 00265303

**YASH S. AGARWAL**

Joint Managing Director

DIN : 02170408

**SWATI JAIN**

Company Secretary

Place : Ahmedabad

Date : 27th May, 2022

Place : Ahmedabad

Date : 27th May, 2022

**RAGHUVIR SYNTHETICS LIMITED**

**Statement of Profit and Loss for the year ended March 31, 2022**

[₹ in Lakhs]

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	27	21 548.87	17 420.53
Other Income	28	308.61	549.90
<b>TOTAL INCOME</b>		<b>21 857.48</b>	<b>17 970.43</b>
<b>EXPENSES</b>			
Cost of Material Consumed	29	12 334.26	12 515.17
Purchase of Stock in Trade		5 606.66	63.80
Changes in inventories	30	(205.32)	493.64
Operating Expenses	31	2 234.40	2 647.23
Employee benefits expense	32	581.30	575.43
Finance Cost	33	112.46	90.16
Reduction in fair value of assets held for sale		-	25.23
Depreciation and Amortization	34	489.93	441.63
Other Expenses	35	291.90	349.39
<b>TOTAL EXPENSES</b>		<b>21 445.59</b>	<b>17 201.68</b>
<b>Profit before tax</b>		<b>411.89</b>	<b>768.75</b>
<b>Tax expense</b>	21		
Current tax		126.00	189.33
Short/(Excess) provision for Earlier period		(39.67)	-
Deferred tax		(15.44)	(9.96)
<b>TOTAL TAX EXPENSE</b>		<b>70.89</b>	<b>179.37</b>
<b>Profit for the year</b>		<b>341.00</b>	<b>589.38</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		4.03	0.77
Tax relating to remeasurement of the defined benefit plans		(1.12)	(0.21)
<b>Total other comprehensive income for the year, net of tax</b>		<b>2.91</b>	<b>0.56</b>
<b>Total comprehensive income for the year</b>		<b>343.91</b>	<b>589.94</b>
<b>Earning per Equity Share</b>	36		
Basic		<b>0.88</b>	<b>1.53</b>
Diluted		<b>0.88</b>	<b>1.53</b>

**Significant Accounting Policies 4**

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**  
Proprietor  
Mem. No. 36439

**SUNIL R. AGARWAL**  
Chairman & Managing Director  
DIN: 00265303

**YASH S. AGARWAL**  
Joint Managing Director  
DIN : 02170408

**SWATI JAIN**  
Company Secretary  
Place : Ahmedabad  
Date : 27th May, 2022

Place : Ahmedabad  
Date : 27th May, 2022

**RAGHUVIR SYNTHETIC LIMITED**  
**Statement of Cash Flows for the year ended March 31, 2022**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	411.89	768.75
<b>Adjustments for</b>		
Depreciation and amortisation	489.93	441.63
Finance cost	112.46	90.16
Interest Income from financial assets measured at amortised cost	(9.94)	(9.18)
Loss/gain on sale of property plant & equipment (net)	(25.61)	1.80
Allowance for Capital Advance	-	14.30
Reduction in fair value of assets held for sale	-	25.23
Remeasurement of the defined benefit plans	4.03	0.77
Operating profit before working capital changes	<b>982.76</b>	<b>1 333.46</b>
<b>Adjustments for Changes in working capital</b>		
Decrease / (Increase) in Inventories	633.57	407.69
Decrease / (Increase) in Trade receivables	459.16	(3.40)
Decrease / (Increase) in Other Non current financial assets	30.49	(51.19)
Decrease / (Increase) in Other current financial asset	389.53	(112.89)
Decrease / (Increase) in Other non current asset	(87.00)	52.42
Decrease / (Increase) in Other current assets	(1,676.88)	270.75
Decrease / (Increase) in Other Bank balances	7.26	58.68
Decrease / (Increase) in Assets held for sale	88.50	-
Increase / (Decrease) in Trade Payables	(746.39)	(377.02)
Increase / (Decrease) in Provisions	5.04	7.46
Increase / (Decrease) in Other Non current liabilities	(3.24)	(3.24)
Increase / (Decrease) in Other current liabilities	804.95	(935.30)
Cash generated from operations	<b>887.75</b>	<b>647.41</b>
Direct taxes Refund/(paid)	(257.13)	(139.38)
<b>Net Cash from Operating Activities</b>	<b>[A] 630.62</b>	<b>508.03</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (Net)	(622.83)	(575.44)
Investment in Subsidiary	(0.51)	-
Interest received	9.94	9.18
<b>Net Cash from / (used in) investing activities</b>	<b>[B] (613.40)</b>	<b>(566.26)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	(2.26)	159.85
Lease payment	(3.00)	(2.73)
Receipt of Calls in arrears (including premium)	4.18	-
Interest paid	(112.46)	(90.16)
<b>Net cash flow from financial activities</b>	<b>[C] (113.54)</b>	<b>66.96</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>[A+B+C] (96.32)</b>	<b>8.74</b>
Cash and cash equivalents opening	61.63	52.89
Cash and cash equivalents closing	<b>-34.69</b>	<b>61.63</b>
<b>Components of Cash and cash equivalent</b>		
Balances with scheduled banks	3.76	44.00
Fixed Deposits with maturity less than 3 months	-	16.08
Cash in hand	1.23	1.55
	<b>4.99</b>	<b>61.63</b>

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.
- Disclosure of Changes in liabilities arising from Financing Activities, including both changes arising from Cash flow and non-cash changes are given below:

Particulars	As at 1st April, 2021	Net Cash flow	Non - Cash Changes	As at 31st March, 2022
Borrowings	1 358.37	(2.26)	-	1 356.11

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**  
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Chairman & Managing Director  
DIN: 00265303

**YASH S. AGARWAL**  
Joint Managing Director  
DIN : 02170408

**SWATI JAIN**  
Company Secretary  
Place : Ahmedabad  
Date : 27th May, 2022

Place : Ahmedabad  
Date : 27th May, 2022

**RAGHUVIR SYNTHETICS LIMITED**

**Statement of changes in Equity for the year ended March 31, 2022**

**A. Equity share capital**

[₹ in Lakhs]

<b>As at April 1, 2021</b>	<b>385.41</b>
Issue of Equity Share capital	-
Receipt of Calls in Arrears	2.09
<b>As at March 31, 2022</b>	<b>387.50</b>

**B. : Other equity**

[₹ in Lakhs]

Particulars	Reserves and Surplus			Other Comprehensive Income	Total equity
	Securities Premium	General Reserve	Retained Earnings		
<b>Balance as at April 1, 2020</b>	170.41	160.21	1 477.45	(7.09)	1 800.95
Profit for the year	-	-	589.38	-	589.38
Other comprehensive income for the year	-	-	-	0.56	0.56
<b>Balance as at March 31, 2021</b>	<b>170.41</b>	<b>160.21</b>	<b>2 066.83</b>	<b>(6.53)</b>	<b>2 390.89</b>
Profit for the year	-	-	341.00	-	341.00
Receipt of Premium during the year	2.09	-	-	-	2.09
Other comprehensive income for the year	-	-	-	2.91	2.91
<b>Balance as at March 31, 2022</b>	<b>172.50</b>	<b>160.21</b>	<b>2 407.83</b>	<b>(3.62)</b>	<b>2 736.89</b>

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**

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DIN: 00265303

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Joint Managing Director

DIN : 02170408

**SWATI JAIN**

Company Secretary

Place : Ahmedabad

Date : 27th May, 2022

Place : Ahmedabad

Date : 27th May, 2022



## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of financial statements

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#### Note 1: Company Overview

Raghuvir Synthetics Limited is a public company limited by shares, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company operates as Manufacturing of Textile items and Processing of the same. The business of the Company is to offer Exports and Local sale of Made-ups and Processing of fabrics. The registered office of the Company is located at Near Gujarat Bottling, Rakhial Road, Rakhial Ahmedabad – 380023 Gujarat – India. The financial statements for the year ended March 31, 2022 were considered by the Board of Directors and approved for issuance on 27<sup>th</sup> May, 2022.

#### Note 2: Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as “Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

The financial statements are prepared in INR and all the values are rounded to the nearest Rupees in lacs, except when otherwise indicated.

##### 2.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended 31<sup>st</sup> March, 2022 have been prepared in accordance with Ind AS as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies’ Act, 2013 (“the Act”) and other relevant provisions of the Act.

##### 2.2 Basis of Measurement

The financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.
- (c) Assets held for sale measured at fair value less cost to sales
- (d) Derivative transactions

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.17.

##### 2.3 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (“the functional currency”). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (₹) which is the company’s presentation currency.

**Notes forming part of financial statements**

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**2.4 Recent accounting pronouncements which are not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23<sup>rd</sup> March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

**Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

**Note 3: Significant accounting judgments, estimates and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

**Notes forming part of financial statements**

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In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the financial statements.

**3.1 Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

**3.2 Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**3.3 Employee Benefits**

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

**3.4 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

**3.5 Impairment of Property, Plant & Equipment**

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

**3.6 Litigations**

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

**3.7 Allowance for uncollectible trade receivables**

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are due and the rates as given in the provision matrix

**3.8 Estimation of net realizable value for assets held for sale**

Non - current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

Notes forming part of financial statements

**Note 4: Significant Accounting Policies**

**4.1 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

**(a) Financial Assets**

Financial Assets comprises of trade receivables, cash and cash equivalents and other financial assets.

**Initial Recognition:**

All financial assets which are not recorded at fair value through Profit and Loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

**Subsequent Measurement:**

**(i) Financial assets measured at amortized Cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

**(iii) Fair Value through Profit or Loss (FVTPL):**

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

**De-recognition of Financial Assets:**

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

Notes forming part of financial statements

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**(b) Financial Liabilities**

**Initial Recognition and Measurement**

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

**Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

**(i) Financial liabilities at Amortized Cost:**

The Company is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

**De-recognition of Financial Liabilities:**

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**Notes forming part of financial statements**

**(e) Derivative financial instruments**

**Initial recognition and subsequent measurement**

The Company uses derivative financial instruments, such as cross currency swaps and interest rate swaps to hedge interest rate risks. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognised in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

**4.2 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

**4.3 Property, Plant and Equipment**

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use. The Company has estimated the following useful life to provide depreciation on its certain Property, Plant and Equipment assets based on assessment made by expert and management estimate.

**Estimated useful lives of the assets are as follows:**

Type of Asset	Useful Life
Solar Plant	20 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and are recognised net within "other income / other expenses" in the Statement of profit and loss.

**Notes forming part of financial statements**

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**4.4 Intangible assets**

**Intangible Assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is de-recognised.

**4.5 Assets held for sale**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

Non-current assets held for sale are neither depreciated nor amortised.

**4.6 Inventories**

Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Stores, Colours & Chemicals and Coal are valued at cost. Processed Goods Returned is valued at net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

Items of Colour and Chemicals, Stores and Spares are charged to revenue at the stage of purchase and stock of such items as at the end of the year is accounted at cost.

The stock of scrap / waste materials are valued at estimated net realizable value.

**4.7 Impairment**

**(a) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

**Notes forming part of financial statements**

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**(b) Non-financial assets**

**Tangible and Intangible assets**

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

**4.8 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**4.9 Revenue Recognition**

**REVENUE:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.



**Notes forming part of financial statements**

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- (i) Sale of Goods Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements.
- (ii) Revenue from job work processes are recognized as and when the related jobs are performed, the cost incurred up to reporting date for the in-completed jobs are carried to balance sheet under the head cost on job work in process.
- (iii) The Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax/ GST in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognized on accrual basis. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same
- (iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Contract balances:**

(a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(b) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

(c) Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (Advance from customers) are recognised as revenue when the Company performs under the contract.

**4.10 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

**Notes forming part of financial statements**

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Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**The Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

The Company recognises right-of-use assets ("ROU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in 4.6 Impairment of non-financial assets.

**(ii) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

**(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Notes forming part of financial statements**

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**4.11 Foreign Currency Translation**

The functional currency of the company is the Indian Rupee (₹)

(i) Initial Recognition

Transactions denominated in foreign currencies entered into by the Company are normally recorded at the exchange rates prevailing on the date of transaction or at monthly average exchange rate prevailing at the time of the transaction.

(ii) Measurement at the Balance Sheet date

Monetary items denominated in foreign currency at year end date are restated at exchange rate prevailing on that date.

(iii) Treatment of exchange differences

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**4.12 Borrowing Costs**

Borrowing costs include

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**4.13 Government Grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

**4.14 Employee benefits**

**(a) Short-term obligations**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(b) Post-employment obligations**

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans.

**(i) Defined contribution plans**

The Company has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

**(ii) Defined benefit plans**

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

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

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

**Notes forming part of financial statements**

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**4.15 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**4.16 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**Notes forming part of financial statements**

**4.17 Fair Value Measurement**

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

- (b) Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

- (c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

**Notes forming part of financial statements**

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**4.18 Current / non- current classification**

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**4.19 Cash and cash equivalent**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

**4.20 Segment Reporting**

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 5 : Property, Plant and Equipment

#### Note 5.1 : As at March 31, 2022

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount			
	As at 01/04/2021	Additions	Deduction		As at 31/03/2022	Upto 31/03/2021	For the year	Deduction		Upto 31/03/2022	As at 31/03/2022	
			Adjustments	Adjustments				Adjustments	Adjustments			
Owned Assets												
Land	11.47	-	-	-	11.47	-	-	-	-	-	11.47	
Factory Building	398.45	-	-	-	398.45	77.25	14.17	-	91.42	-	307.03	
Plant & Machinery	3 954.66	360.22	47.68	-	4 267.20	1 197.82	454.24	32.27	1 619.79	-	2 647.41	
Furniture & Fixture	2.40	1.94	-	-	4.34	1.41	0.21	-	1.62	-	2.72	
Office Equipments	7.71	0.21	-	-	7.92	4.49	0.92	-	5.41	-	2.51	
Computer	2.70	3.64	-	-	6.34	1.28	0.49	-	1.77	-	4.57	
Vehicle	42.71	-	-	-	42.71	6.62	4.89	-	11.51	-	31.20	
	4 420.10	366.01	47.68	47.68	4 738.43	1 288.87	474.92	32.27	1 731.52	-	3 006.91	

#### Note 5.2 : As at March 31, 2021

Particulars	Gross Block				Accumulated Depreciation				Net carrying amount
	As at	Additions	Deduction	As at	For the	Deduction	Upto		
	01/04/2020		Adjustments	31/03/2021	year	Adjustments	31/03/2021	31/03/2021	
Owned Assets									
Land	11.47	-	-	11.47	-	-	-	11.47	
Factory Building	398.45	-	-	398.45	17.11	-	77.25	321.20	
Plant & Machinery	3 493.82	488.59	27.75	3 954.66	407.24	14.23	1 197.82	2 756.84	
Furniture & Fixture	2.40	-	-	2.40	0.27	-	1.41	0.99	
Office Equipments	7.71	-	-	7.71	0.96	-	4.49	3.22	
Computer	2.58	0.12	-	2.70	0.09	-	1.28	1.42	
Vehicle	42.95	-	0.24	42.71	4.19	-	6.62	36.09	
	3 959.38	488.71	27.99	4 420.10	429.86	14.23	1 288.87	3 131.23	

Note The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.



# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 6 : As on 31st March 2022

#### Note 6.1: Right To use Assets

[₹ in Lakhs]

Particulars	Category of ROU Asset		Total
	Factory Building	Godown	
<b>Balance as on 31st March 2020</b>	286.55	42.98	329.53
Deletion	-	-	-
Depreciation	10.23	1.54	11.77
<b>Balance as on 31st March 2021</b>	276.32	41.44	317.76
Deletion	-	-	-
Depreciation	10.23	1.54	11.77
<b>Balance as on 31st March 2022</b>	<b>266.09</b>	<b>39.90</b>	<b>305.99</b>

#### Note 6.2: Lease Liabilities

Particulars	Total
<b>Balance as on 31st March 2020</b>	338.81
Finance cost accrued during the period	32.36
Deletion	-
Payment of lease liabilities	35.08
<b>Balance as on 31st March 2021</b>	<b>336.09</b>
<b>Balance as on 31st March 2021</b>	336.09
Finance cost accrued during the period	32.10
Deletion	-
Payment of lease liabilities	35.11
<b>Balance as on 31st March 2022</b>	<b>333.08</b>

#### Note 6.3: Breakup of Current and Non Current Liabilities

Particulars	Total
Current Liabilities	3.27
Non Current Liabilities	329.81
<b>Total</b>	<b>333.08</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Financial Statements**

**Note 7 : Capital work in progress**

**Note 7.1 : As at March 31, 2022**

[₹ in Lakhs]

Particulars	As at 01/04/2021	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2022
Plant & Machinery	156.36	450.95		156.36	450.95

**Note 7.2 : As at March 31, 2021**

[₹ in Lakhs]

Particulars	As at 01/04/2020	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2021
Plant & Machinery	16.45	628.50	-	488.59	156.36

**Note - 7A : Capital Work - in - Progress**

**Capital Work -in- Progress ageing schedule as at 31st march, 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	more than 3 years	
Projects in progress	450.95	-	-	-	450.95
Projects temporarily suspended	-	-	-	-	-

**Capital Work -in- Progress ageing schedule as at 31st march, 2021**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	more than 3 years	
Projects in progress	156.36	-	-	-	156.36
Projects temporarily suspended	-	-	-	-	-

Note : There is no capital work-in-progress is being overdue or has exceeded its cost compared to its original plan.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 8 : Investments

Particulars	[₹ in Lakhs]	
	As at March 31, 2022	As at March 31, 2021
<b>Non Current Investment</b>		
<b>A. Trade Investment</b>		
<b>Investment in Equity Instruments (Unquoted)</b>		
<b>Subsidiaries at Amortised Cost</b>		
(i) Dreamsoft Bedsheets Private Limited	0.51	-
51,000 (March 31, 2021: NIL) Shares of `		
1/- each fully paid up		
	<b>0.51</b>	<b>-</b>

### Note 9 : Other Financial Assets

Particulars	[₹ in Lakhs]	
	As at March 31, 2022	As at March 31, 2021
<b>Non- current</b>		
Security deposits	83.60	70.27
Fixed Deposit with Original Maturity of more than 12 months*	7.51	51.33
* The above fixed deposits with banks are held as margin money against bank guarantee amounting to Rs 6,50,000 for current year and Rs. 35,35,000/- for previous year.		
<b>Total (A):</b>	<b>91.11</b>	<b>121.60</b>
<b>Current</b>		
Government Grant Receivable	52.87	73.20
SGST Incentive Receivable	131.52	498.30
Security deposits	-	3.00
Interest accrued but not due	3.06	2.48
<b>Total (B):</b>	<b>187.45</b>	<b>576.98</b>
<b>Total (A) + (B):</b>	<b>278.56</b>	<b>698.58</b>

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 10 : Other Non - current / Current Assets

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non - Current</b>		
Capital advances (Net)	88.60	1.60
<b>Total (A):</b>	<b>88.60</b>	<b>1.60</b>
<b>Current</b>		
Balance with revenue authorities	18.30	42.36
Cost of Own/Job-Work in Progress	13.25	19.35
Pre-paid expenses	6.58	9.72
Advance to suppliers	1 711.24	0.03
Other recoverables	3.57	4.60
<b>Total (B):</b>	<b>1 752.94</b>	<b>76.06</b>
<b>Total (A) + (B):</b>	<b>1 841.54</b>	<b>77.66</b>

### The amount dues by :

Directors	Nil	Nil
Officers either severally or jointly with other persons	Nil	Nil
Firms or private companies in which any director is partner or director or a member.	1,709.17	Nil

### Note 11 : Inventories

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
(As taken, valued and certified by the Management)		
Raw material	728.40	980.83
Work-in-progress	-	536.17
Stores and spares	278.49	128.47
Packing Material	0.80	0.50
<i>Others:</i>		
Scrap	27.00	13.91
<i>Goods In Transit:</i>		
Stores and Spares	-	8.38
<b>Total:</b>	<b>1 034.69</b>	<b>1 668.26</b>

Inventory items have been valued considering the significant accounting policy disclosed in note 4(4.6) to this financial statement.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 12 : Trade Receivables

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good (Refer Note 12A)		
Low Credit Risk	9.64	468.80
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Loss Allowance	-	-
	<b>9.64</b>	<b>468.80</b>
Less: Allowance for Expected Credit Losses (Refer note 41)	1.99	1.99
	<b>7.65</b>	<b>466.81</b>
Included in the financial statement as follows:		
Non-current	-	-
Current	7.65	466.81
<b>Total:</b>	<b>7.65</b>	<b>466.81</b>
The amount dues by :		
Directors	<b>NIL</b>	NIL
Officers either severally or jointly with other persons	<b>NIL</b>	NIL
Firms or private companies in which any director is partner or director or a member.	<b>NIL</b>	NIL

**Note - 12A : Trade receivables**  
**Trade receivable ageing schedule as at 31st March, 2022**

₹ in Lakhs]

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	more than 3 years	
Undisputed Trade receivables considered good which have significant increase in credit risk credit impaired	-	8.16		1.43	0.05	-	- 9.64
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Disputed Trade receivables considered good which have significant increase in credit risk credit impaired	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Total	-	8.16	-	1.43	0.05	-	9.64
Less: Allowance for Expected Credit Losses							(1.99)
Total							7.65

**Trade receivable ageing schedule as at 31st March, 2021**

₹ in Lakhs]

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	more than 3 years	
Undisputed Trade receivables							
considered good	-	467.3	1.45	0.05	-	-	468.80
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	-	467.30	1.45	0.05	-	-	468.80
Less: Allowance for Expected Credit Losses							(1.99)
Total							466.81

# **RAGHUVIR SYNTHETICS LIMITED**

## **Notes forming part of the Financial Statements**

### **Note 13 : Cash and cash equivalents**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Bank		
Current accounts	3.76	44.00
Fixed Deposits with maturity less than 3 months*	-	16.08
Cash on hand	1.23	1.55
<b>Total:</b>	<b>4.99</b>	<b>61.63</b>

\* The above fixed deposits with banks are held as margin money against bank guarantee amounting to ₹ 14,15,000/- for the previous year

### **Note 14 : Other Bank Balances**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months (*)	17.72	24.98

\* The above fixed deposits with banks are held as margin money against bank guarantee amounting to Rs. 14,50,000/- for current year and Rs 21,00,000/- for previous year

### **Note 15 : Current tax assets (Net)**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax & TDS	368.18	30.87
Less: Provision for taxation	262.91	-
<b>Total:</b>	<b>105.27</b>	<b>30.87</b>

### **Note 16 : Asset classified as held for sale**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Assets held for sale	263.50	352.00

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 17 : Equity share capital

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised share capital</b>		
10,00,00,000 Equity Shares of ₹1/ each (March 31, 2021: 1,00,00,000 share of Rs.10 each)	1,000.00	1,000.00
<b>Issued share capital</b>		
3,87,50,000 Equity Shares of ₹1/ each (March 31, 2021: 3875000 of Rs.10 each)	387.50	387.50
<b>Subscribed and fully paid up</b>		
3,87,50,000 Equity Shares of ₹1/ each fully paid up ( March 31, 2021: 3875000 of Rs. 10 Each)	385.41	387.50
Calls In Arrears received/ (Pending)	2.09	(2.09)
<b>Total:</b>	<b>387.50</b>	<b>385.41</b>

### Note 17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	38,75,000	38,75,000
<b>Add/(Less) :</b>		
Adjustment for Sub-Division of Equity Shares	3,48,75,000	
At the end of the year	<b>3,87,50,000</b>	<b>38,75,000</b>



## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of the Financial Statements

#### Note 17 : Equity share capital ... Continued..

##### Note 17.2 Rights, Preferences and Restrictions

The authorised share capital of the Company has only one class of shares referred to as 'equity shares' having a par value of ₹ 1/- each. The rights and privileges to equity shareholders are general in nature and defined under the Articles of Association.

The equity shareholders shall have:

- (i) One Vote and a poll when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a power of attorney or by a proxy his voting right shall be in proportion to his share of the paid equity share capital of the company. However, no member shall exercise any voting rights in respect of any share registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has exercised any right of lien.
- (ii) subject to the rights of person if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amount paid or credited as paid to the shares in respect where of the dividend is paid but if and so long as nothing is paid upon any shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (iii) A special resolution sanctioning a sale to any other company duly passed pursuant to section 494 of the old Companies Act 1956 (corresponding to the section 319 of the new Companies Act 2013) may, subject to the provision of the act, in like manner as aforesaid determined that any shares or other consideration receivable by the liquidator be distributed against the members otherwise then in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential right conferred by the said section.
- (iv) The Company's AGM was held on 15th September, 2021, in which resolution had been passed to split equity share from Rs. 10 to Rs.1 each. Record date for the transaction was 28th October, 2021.

##### Note 17.3 Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% of holding	No. of Shares	% of holding
Sunil Agarwal	1 21 66 240	31.40	12 16 624	31.40
Pamita Agarwal	87 19 210	22.50	8 71 921	22.50
Yash Agarwal	43 92 030	11.33	4 39 203	11.33
Hardik Agarwal	37 48 270	9.67	3 74 827	9.67

##### Note 17.4 Details of shareholding of Promoters

Sr No.	Promoter Name	Shares held by promoters as at March 31, 2022		Shares held by promoters as at March 31, 2021		% Change during the year (Refer Note below)
		No. Of Shares	% of total Shares	No. Of Shares	% of total Shares	
1	Sunil Agarwal	1 21 66 240	31.40	12 16 624	31.40	-
2	Pamita Agarwal	87 19 210	22.50	8 71 921	22.50	-
3	Yash Agarwal	43 92 030	11.33	4 39 203	11.33	-
4	Hardik Agarwal	37 48 270	9.67	3 74 827	9.67	-

Note : During the year, there is no change in %, only No. of Shares changed pursuant to split of share of Rs.10/- only each to share of Re.1/- only each

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Financial Statements**

**Note 18 : Other Equity**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium	172.50	170.41
General Reserve	160.21	160.21
Retained Earnings	2 404.18	2 060.27
<b>Total:</b>	<b>2 736.89</b>	<b>2 390.89</b>

**Note 18.1 : Other Equity ...Detailed..**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities Premium</b>		
Balance as per previous financial statements	170.41	172.50
Calls in Arrears received/(pending)	2.09	(2.09)
Balance at the end of the year	<b>172.50</b>	<b>170.41</b>
<b>General Reserve</b>		
Balance as per previous financial statements	160.21	160.21
Add: Addition During the year	-	-
Less: Deletion During the year	-	-
Balance at the end of the year	<b>160.21</b>	<b>160.21</b>
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>		
Balance as per previous financial statements	2 060.27	1 470.33
Add : Profit for the year	341.00	589.38
Add / (Less): OCI for the year	2.91	0.56
Balance available for appropriation	<b>2 404.18</b>	<b>2 060.27</b>
<b>Less: Appropriation</b>	-	-
<b>Total:</b>	<b>2 736.89</b>	<b>2 390.89</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Financial Statements**

**Note 19 : Borrowings**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Term Loan from Banks</b>		
HDFC Bank Term Loan - I	525.50	791.59
HDFC Bank Capital Loan - II	161.13	209.00
HDFC Bank Capital Loan - III	103.29	114.79
HDFC Bank Capital Loan - IV	61.08	75.27
HDFC Bank Capital Loan - V	103.73	143.12
HDFC Bank Capital Loan - VI	41.15	-
HDFC Bank Capital Loan - VII	213.84	-
HDFC Bank Loan for ECGL	132.00	-
<b>Vehicle Loan From Banks</b>		
HDFC Bank Limited	12.26	24.60
<b>Total Borrowing:</b>	<b>1 353.98</b>	<b>1 358.37</b>
<b>Less:</b>		
Current maturities of Long term borrowing	480.47	378.93
<b>Total Non Current Borrowing:</b>	<b>873.51</b>	<b>979.44</b>

**Nature of Security:**

**Term Loans and Capital Loan**

Primary	Hypothecation of Plant and Machinery on entire Exposure
Collateral	Equitable mortgage of properties as mentioned below properties on entire exposure.

Property Description	Type of Property	Owner
Survey No 337/6 Industrial/ Survey No 337/6 FP No 114 TPS No 10. Near Maniar Trailor, Rakhial, Ahmedabad	Industrial	Raghuvir Synthetics Limited

**Vehicle Loan**

HDFC Bank Vehicle Loan

Vehicle Loan from HDFC Bank is secured against the Motor Car

**Terms of Repayment of Loans:**

**Term Loan**

HDFC Bank Term Loan - I

Repayable in 72 installments of which 71 installments of ₹ 26.30 Lakhs commencing from February, 2018 and 72nd installment of ₹ 22.77 Lakhs. Last installments due on January, 2024. Rate of Interest 8.30% (Repo Rate+ 4%).

HDFC Bank Capital Loan - II

Repayable in 36 installments of ₹ 6.57 Lakhs commencing from July 2022. Last installments due on June, 2024. Rate of Interest 8.25% (Base Rate+ 0.80%).

HDFC Bank Capital Loan - III

Repayable in 60 installments starting from December 2021 of which First installment of ₹ 0.98 Lakhs, second installment of ₹ 1.80 Lakhs and from 3rd installment to 60th installment of ₹ 2.47 Lakhs. Last installments due on November, 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).

# **RAGHUVIR SYNTHETICS LIMITED**

## **Notes forming part of the Financial Statements**

HDFC Bank Capital Loan - IV	Repayable in 60 installments starting from January 2022 of which First installment is of ` 1.46 Lakhs, and from 2nd installment to 60th installment of ` 1.60 Lakhs. Last installments due on December 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).
HDFC Bank Capital Loan - V	Repayable in 60 installments starting from September 2021 of which First to Fourth installment of ` 1.02 Lakhs, Fifth installment of ` 2.74 Lakhs, Sixth and Seventh of ` 3.19 Lakhs, and from 8th to 60th installment of ` 3.51 Lakhs. Last installments due on August, 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).
HDFC Bank Capital Loan - VI	Repayable in 60 installments starting from January 2022 of Rs. 0.84 Lakhs. Last installments due on December, 2026. Rate of Interest 6.58%.
HDFC Bank Capital Loan - VII	Repayable in 60 installments starting from January 2022 of Rs. 4.37 Lakhs. Last installments due on December, 2026. Rate of Interest 6.58%.
HDFC Bank Loan for ECGL	Repayable in 60 installments starting from April, 2022 of which First installment of ` 0.80 Lakhs, second to sixty installments of ` 4.10 Lakhs. Last installments due on March, 2027. Rate of Interest 7.80%
<b>Vehicle Loan</b> HDFC Bank Limited	Repayable in 36 installments of ` 1.16 Lakhs commencing from March 2021. Last installments due on February, 2023. Rate of Interest 8.35% (Base Rate+ 0%).

## **Note 20 : Provisions**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current</b>		
Provision for employee benefits		
Gratuity	22.60	37.06
<b>Current</b>		
Provision for employee benefits		
Gratuity	23.51	4.07
Bonus	2.97	2.91
	<b>26.48</b>	<b>6.98</b>
<b>Total:</b>	<b>49.08</b>	<b>44.04</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 21: Income Taxes

#### Note 21.1 : Deferred tax liabilities (net)

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>	286.18	295.93
<b>Adjustment for the current year:</b>		
(Charged)/Credited in the Statement of Profit and Loss	(15.44)	(9.96)
Charged / (Credited) through Other Comprehensive Income	1.12	0.21
<b>Closing Balance</b>	<b>271.86</b>	<b>286.18</b>

#### Note 21.2 : Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2022	(Charged)/Credited to profit or loss/OCI	As at March 31, 2021	(Charged)/Credited to profit or loss/OCI	As at March 31, 2020
<b>Deferred tax liabilities</b>					
Property, plant and equipments	302.76	(2.35)	305.11	(1.37)	306.48
Amortised cost adjustment on borrowings	-	(3.57)	3.57	0.73	2.84
	<b>302.76</b>	<b>(5.92)</b>	<b>308.68</b>	<b>(0.64)</b>	<b>309.32</b>
<b>Deferred tax asset</b>					
Provision for gratuity and Bonus and Leave	(13.18)	(0.31)	(12.87)	(2.06)	(10.81)
Lease Liability	(7.55)	(2.45)	(5.10)	(2.52)	(2.58)
Others	(5.64)	(5.64)	-	-	-
Allowance for Expected Credit losses	(0.55)	-	(0.55)	(0.55)	-
Allowance for Capital Advance	(3.98)	-	(3.98)	(3.98)	-
	<b>(30.90)</b>	<b>(8.40)</b>	<b>(22.50)</b>	<b>(9.11)</b>	<b>(13.39)</b>
<b>Net deferred tax liabilities (net)</b>	<b>271.86</b>	<b>(14.32)</b>	<b>286.18</b>	<b>(9.75)</b>	<b>295.93</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

**Note 21.3: The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

[₹ in Lakhs]

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A. The major components of Income Tax expenses for the year as under:</b>		
<b>(i) Income Tax recognised in the statement of Profit and Loss</b>		
<b>Current Tax</b>		
Expenses for current year	126.00	189.33
<b>Deferred Tax</b>		
Deferred Tax for current year	(15.44)	(9.96)
	<b>110.56</b>	<b>179.37</b>
<b>(i) Income Tax recognised in the statement of Profit and Loss pertains to earlier period</b>		
Expenses for earlier year	(39.67)	-
	<b>(39.67)</b>	<b>-</b>
<b>(iii) Income Tax recognised in the other comprehensive income</b>		
Remeasurement Gains/(Losses) on defined benefit plans	(1.12)	(0.21)
	<b>(1.12)</b>	<b>(0.21)</b>
<b>B. Reconciliation of Effective tax rate</b>		
<b>Profit before taxes from continuing operations</b>	411.89	768.75
Enacted Tax Rate in India	27.82%	27.82%
Expected Income Tax Expenses	114.59	213.87
<b>Adjustment to reconcile expected income tax expense to reported income tax expense</b>		
Others (Net)	(4.03)	(34.50)
Adjusted Income tax expenses for current year	<b>110.56</b>	<b>179.37</b>
Effective tax rates	<b>26.84%</b>	<b>23.33%</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Financial Statements**

**Note 22 : Other non-current / current liabilities**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current</b>		
Deferred Government Grant	2.52	5.76
<b>Current</b>		
Deferred Government Grants	3.24	3.24
Advance from customers	1 976.57	1 109.58
Statutory Liabilities	5.36	28.83
Other Payables	20.23	73.11
	<b>2 005.40</b>	<b>1 214.76</b>
<b>Total:</b>	<b>2 007.92</b>	<b>1 220.52</b>

**Note 23 : Borrowings (Current)**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Current maturities of Long term borrowing (Refer	480.47	378.93
Borrowings payable on Demand	2.13	-
<b>Total Current Borrowing:</b>	<b>482.60</b>	<b>378.93</b>

**Note 24 : Trade Payables**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current (Refer Note 24A)</b>		
Total outstanding dues of micro and small enterprises (refer note 45)	-	-
Total outstanding dues of creditors other than micro and small enterprises	131.22	877.61
<b>Total:</b>	<b>131.22</b>	<b>877.61</b>

**Note 25 : Other Financial Liabilities**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Derivatives not designated as hedge	44.62	30.31
	<b>44.62</b>	<b>30.31</b>

**Note 26 : Current tax liabilities (Net)**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax	-	327.15
Less : Advance Tax	-	270.42
<b>Total:</b>	<b>-</b>	<b>56.73</b>

**Note - 24A : Trade payables**  
**Trade payables ageing schedule as at 31st March, 2022**

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	more than 3 years	
MSME	-	-	-	-	-	-	-
Others	4.00	-	124.78	0.46	1.98	-	131.22
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>4.00</b>	<b>-</b>	<b>124.78</b>	<b>0.46</b>	<b>1.98</b>	<b>-</b>	<b>131.22</b>

**Trade payables ageing schedule as at 31st March, 2021**

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	more than 3 years	
MSME	-	-	-	-	-	-	-
Others	39.58	-	836.09	1.86	0.08	-	877.61
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
	<b>39.58</b>	<b>-</b>	<b>836.09</b>	<b>1.86</b>	<b>0.08</b>	<b>-</b>	<b>877.61</b>



# **RAGHUVIR SYNTHETICS LIMITED**

## **Notes forming part of the Financial Statements**

### **Note 27 : Revenue from Operations**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Sale of Products</b>		
Manufactured Goods		
Local	13 980.97	15 014.10
Traded Goods		
Local	4 926.25	66.55
<b>Sale of services</b>		
Processing Charges Received	2 531.83	2 211.80
<b>Other Operating Income</b>		
Export Benefits	-	0.60
Fants and Rags	109.82	127.48
<b>Total:</b>	<b>21 548.87</b>	<b>17 420.53</b>

### **Note 27.1 : Break up of sales of product**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Manufactured</b>		
Made-ups	2 773.12	7 769.06
Fabrics	11 207.85	2 448.57
<b>Traded Goods</b>		
Grey Cloth	4 926.25	-
<b>Total :</b>	<b>18 907.22</b>	<b>10 217.63</b>

### **Note 27.2 : Break up of sales of services**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Jobwork Charges- Fabrics	2 531.83	2 211.80
<b>Total :</b>	<b>2 531.83</b>	<b>2 211.80</b>

### **Note 27.3 : Break up of Other Operating Income**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Export benefits (Net)	-	0.59
Fants and Rags	109.82	127.48
<b>Total :</b>	<b>109.82</b>	<b>128.07</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 28 : Other Income

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Interest income</b>		
From Banks	2.32	6.13
From Others	7.62	3.05
SGST Incentive Income	193.56	502.49
Deferment of Capital Subsidy	3.24	3.24
Foreign Exchange Gain/(Loss) on Swaping of Borrowing	35.39	1.65
Profit on sale of PPE	29.36	-
<b>Other Non Operating Income</b>		
Sales of Scrap	35.10	29.33
Miscellaneous Income	2.02	4.01
	<b>37.12</b>	<b>33.34</b>
<b>Total:</b>	<b>308.61</b>	<b>549.90</b>

### Note 29 : Cost of Materials Consumed

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Raw Materials	11 029.84	10 816.14
Colours & Chemicals	1 304.42	1 699.03
<b>Total:</b>	<b>12 334.26</b>	<b>12 515.17</b>

### Note 29.1 : Breakup of Raw Materials consumed

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Grey cloth	10 976.53	10 785.63
Fabrics	53.31	30.51
	<b>11 029.84</b>	<b>10 816.14</b>

### Note 29.2 : Breakup of Colour Chemical consumed

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Colour Chemical	1 304.42	1 699.03
	<b>1 304.42</b>	<b>1 699.03</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Financial Statements**

**Note 30 : Changes in inventories**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Closing Stock</b>		
Work In Process	-	536.17
Stock of Scrap/ Waste materials	27.00	13.91
Traded Goods	728.40	-
<b>Opening Stock</b>		
Work In Process	536.17	1 037.72
Stock of Scrap/ Waste materials	13.91	6.00
<b>(Increase) / Decrease in stocks:</b>	<b>(205.32)</b>	<b>493.64</b>

**Note 31 : Operating Expenses**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Power and Fuel</b>		
Electric Power	291.78	346.91
Fuel	0.32	0.35
Coal and Wooden Dust	792.45	575.05
	<b>1 084.55</b>	<b>922.31</b>
<b>Freight and Octroi</b>		
Stores	4.07	7.35
Grey Cloth	28.56	24.54
	<b>32.63</b>	<b>31.89</b>
Packing Material	152.18	367.24
Jobwork Charges Paid	645.32	1 035.45
Stores, Spares & Other consumables	284.97	241.34
Electrical Expenses	20.09	14.64
Insurance charges	8.56	12.45
<b>Cost of Work In Progress (Job)</b>		
Opening Balance	19.35	41.26
Less: Closing Balance	13.25	19.35
	<b>6.10</b>	<b>21.91</b>
<b>Total:</b>	<b>2 234.40</b>	<b>2 647.23</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Financial Statements

### Note 32 : Employee benefits expense

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Salary, Wages and Bonus	561.06	548.84
Contribution to Provident and other funds	14.29	21.96
Staff Welfare and Training Expense	5.95	4.63
<b>Total:</b>	<b>581.30</b>	<b>575.43</b>

### Note 33 : Finance Cost

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Interest on loan	34.04	22.36
Unwinding Interest on Lease Liability	32.10	32.36
<b>Other Finance Cost</b>		
Bank charges	0.58	4.65
Bank Guarantee Commission	1.12	0.48
(Gain)/Loss on Derivative Contracts	44.62	30.31
<b>Total:</b>	<b>112.46</b>	<b>90.16</b>

### Note 34 : Depreciation and Amortization

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Depreciation on Property, Plant and Equipments	478.16	429.86
Depreciation on Right To Use Assets	11.77	11.77
<b>Total:</b>	<b>489.93</b>	<b>441.63</b>

# **RAGHUVIR SYNTHETICS LIMITED**

## **Notes forming part of the Financial Statements**

### **Note 35 : Other expenses**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Repairs and Maintenance</b>		
Plant and Machinery	79.96	98.82
Building	1.46	13.56
Others	13.02	16.46
	<b>94.44</b>	<b>128.84</b>
Donation	36.61	38.00
Fees and Legal Expenses	54.82	53.40
Selling and Distribution Expenses	61.04	53.99
<b>Rent, Rates &amp; Taxes</b>		
Rent	2.54	2.54
Rates & Taxes	3.92	4.90
	<b>6.46</b>	<b>7.44</b>
Auditors Remuneration	3.00	3.00
Miscellaneous Expenses	31.78	48.32
Loss on sale of Machinery	3.75	1.80
Allowance for credit losses	-	0.30
Allowance for Capital Advances	-	14.30
<b>Total:</b>	<b>291.90</b>	<b>349.39</b>
Auditor's Remuneration is made of		
Statutory Audit Fees	3.00	3.00
	<b>3.00</b>	<b>3.00</b>

### **Note 35 (B) : Corporate Social Responsibility**

(a) Gross amount required to be spent by the Company during the year

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Amount required to be spent by the Company during the year	10.52	5.88
Amount of expenditure incurred	35.50	38.00
Shortfall at the end of the year	-	-
Total of Previous years shortfall	-	-
<b>Details of Related Party Transactions</b>		
<b>(a) Contribution to a trust controlled by the Company in relation to CSR expenditure</b>		
Donation to Raghuvir Research Foundation Trust	35.50	38.00
<b>Reason for Shortfall</b>	NA	NA
<b>Nature of CSR Activities</b>	Donation to Trust which carries CSR activities	Donation to Trust which carries CSR activities

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of the Financial Statements

#### Note 36 : Earning per Share

Particulars	2021-2022	2020-2021
Profit attributable to Equity shareholders [Rupees in Lakhs]	341.00	589.38
Number of equity shares	3,87,50,000	3,87,50,000
Weighted Average number of Equity Shares	3,87,50,000	3,87,50,000
Basic earning per Share (₹)	<b>0.88</b>	<b>1.53</b>
Diluted earning per Share (₹)	<b>0.88</b>	<b>1.53</b>

Note: The Company's AGM was held on 15th September, 2021, in which resolution had been passed to split equity share from Rs. 10 to Rs.1 each. Record date for the transaction was 28th October, 2021. In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2022 and March 31, 2021 has been arrived at after giving effect to the above sub-division.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

### Note 37 : Contingent Liabilities and Capital commitments

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Contingent Liabilities</b>		
- Claims not acknowledged as debts – ESI	--	4.98
[See note no. 35 (a)]	<b>25.94</b>	25.94
- Claims Related to employees pending with Hon'ble Supreme Court of India	-	3.00
- Custom Duty on Procurement of Machinery under the scheme of EPCG	<b>177.17</b>	338.08
- Demand under Textile committee (Cess) Rules 1975	<b>12.34</b>	12.34
<b>Capital Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>2608.99</b>	15.65
- Other commitments	NIL	NIL

- (a) The Company has received order u/s 45-A of the ESI Act 1948 for the year 2002 to 2005 raising demand of ₹ 25.35 Lacs. The company has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat, Ahmedabad and Bank Guarantee of ₹ 13.00 lakhs has been given under the direction of E.S.I Court Ahmedabad. Further in the earlier financial year ESI Court has issued order for payment of ₹ 0.59 Lacs in relation to contractor's liability and the same has been deposited by the company and shown as deposit as on March 31, 2022.

### Note 38: Employee Benefits

#### Note 38.1 Defined contribution plan

The Company has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Contribution to Provident Fund and Pension Scheme (included under contribution to provident and other funds)	<b>11.31</b>	18.72
Contribution to Employee State Insurance Scheme (Included in contribution to Provident and other funds)	<b>2.91</b>	3.24

#### Note 38.2 Defined benefit plan

##### (a) Gratuity

The Company offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

### (b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows.

#### Gratuity

Particulars	Valuation at	
	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.50%
Expected rate(s) of salary increase	5.00%	5.00%

The following table sets out the status of the amounts recognized in the balance sheet & movements in the net defined benefit obligation as at March 31, 2021.

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>Changes in the present value of obligation</b>		
1. Present value of obligation (Opening)	41.13	33.96
2. Interest cost	2.15	1.87
3. Past service cost adjustments/Prior year Charges	--	--
4. Current service cost	6.86	6.07
5. Curtailment Cost / (Gain)	--	--
6. Settlement Cost / (Gain)	--	--
7. Benefits paid	--	--
8. Actuarial (Gain) / Loss arising from change in financial assumptions	(1.07)	0.43
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	--	--
10. Actuarial (Gain) / Loss arising from change on account of experience changes	(2.96)	(1.20)
11. Present value of obligation (Closing)	46.11	41.13
- <b>Current</b>	23.51	4.07
- <b>Non current</b>	22.60	37.06

Amount recognized in statement of profit and loss in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Current Service Cost	6.86	6.07
Past Service Cost	--	--
Adjustment to opening fund	--	--
Net interest Cost	2.15	1.87
(Gains)/Loss on Settlement	--	--
<b>Total Expenses recognized in the Statement of Profit and Loss #</b>	<b>9.01</b>	<b>7.94</b>
#Included in 'Salary and Wages' under 'Employee benefits expense'		



# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

Amount recognized in Other Comprehensive Income (OCI) in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Re-measurements during the year due to</b>		
Changes in financial assumptions	(1.07)	0.43
Changes in demographic assumptions		--
Experience adjustments	(2.96)	(1.20)
Return on plan assets excluding amounts included in interest income		--
<b>Amount recognized in OCI during the year</b>	<b>(4.03)</b>	<b>(0.77)</b>

### (c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

#### Gratuity

#### Impact on defined benefit obligation

Particulars	Change in Assumption			Increase in Assumptions			Decrease in Assumptions	
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
Discount rate	0.50%	0.50%	Increased by	-1.82%	-2.04%	Decreased by	1.93%	2.15%
Salary growth rate	0.50%	0.50%	Increased by	1.72%	1.71 %		-1.65%	-1.65%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

### (d) Defined benefit liability and employer contribution

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending March 31, 2022 is

The weighted average duration of the defined benefit obligation is 4 years.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

### Gratuity

[₹ in Lakhs]

Particulars	As at March 31, 2022		As at March 31, 2021	
	Cash Flow (₹)	(%)	Cash Flow (₹)	(%)
1 <sup>st</sup> following year	23.51	38.7%	4.07	7.6%
2 <sup>nd</sup> following year	5.37	8.8%	20.26	37.9%
3 <sup>rd</sup> following year	2.08	3.4%	4.52	8.5%
4 <sup>th</sup> following year	5.52	9.1%	1.77	3.3%
5 <sup>th</sup> following year	2.27	3.7%	5.09	9.5%
Sum of year 6 to 10 <sup>th</sup>	8.50	14.0%	6.41	12.0%

### Note 39: Segment Information

The operating segment of the company is identified to be "Manufacturing and Processing of Fabrics", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any disclosures to be made under Ind AS 108 Operating Segments.

### Note 40: Related Party Disclosure

#### Note 40.1: Related Party Disclosures for the year ended March 31, 2022

##### (a) Details of Related Parties

Sr. No.	Name of Related Parties	Description of Relationship
1 2 3	Sunil R. Agarwal Yash S. Agarwal Hardik S. Agarwal	Key Management Personnel
4	DreamSoft Bedsheets Private Limited	Subsidiary Company
5 6 7 8 9 10	Raghuvir Exim Ltd. The Sagar Textiles Mills Pvt. Ltd. Raghuvir Research Foundation Trust HYS Developers LLP HYS Lifecare LLP HYS Industries Pvt Ltd	Enterprise over which key management personnel exercise significant influence by controlling interest.
11 12 13	Raghukaushal Textile Pvt. Ltd. Raghuvir Life Style Pvt. Ltd. RSL Dyecot Pvt Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

- (b) Details of transactions with related parties for the year ended March 31, 2022 in the ordinary course of business:

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP / Relatives	Subsidiary	Enterprise over which key management personnel exercise significant influence by controlling interest	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	334.62	--	--	--	334.62
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 -- --	-- -- --	-- 2.03 2.54	-- -- --	33.05 2.03 2.54
3	<b>Sales Processing Charges, Freight and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd.	-- --	--	-- 171.04	78.85 --	78.85 171.04
4	<b>Finished Goods sales/Grey Sale</b> - HYS Developers LLP - Raghuvir Exim Ltd. - The Sagar Textile Mills Pvt Ltd - Raghuvir Lifestyle Pvt. Ltd.	-- -- -- --	-- -- -- --	12.55 14,398.66 1.97 --	-- -- -- 0.74	12.55 14,398.66 1.97 0.74
5	<b>Purchase</b> - HYS Developers LLP - The Sagar Textiles Mills Pvt. Ltd. - Raghuvir Exim Ltd. - HYS Industries Pvt. Ltd. - Raghukaushal Textile Pvt. Ltd.	-- -- -- -- --	-- -- -- -- --	4 692.46 6 428.90 248.44 4 288.16 --	-- -- -- -- 2.88	4 692.46 6 428.90 248.44 4 288.16 2.88
6	<b>Donation</b> - Raghuvir Research Foundation	--	--	35.50	--	35.50
7	<b>Reimbursement of Expenses</b> - Raghuvir Exim Ltd. - Dream Soft Bedsheets Pvt. Ltd.	--	0.003	28.08	--	28.08 0.003

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

(c) Amount due to / from related parties as at March 31, 2022

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP / Relatives	Subsidiary	Enterprise over which key management personnel exercise significant influence by controlling interest	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Due to Company</b> <b>As Trade Receivables/ Advance Given</b> - Raghuvir Exim Ltd - HYS Developers LLP - The Sagar Textile Mill Pvt. Ltd. - HYS Industries Pvt Ltd - DreamSoft Bedsheets Pvt. Ltd.	-- -- -- -- --	-- -- -- -- 0.003	9.45 1 268.50 64.59 440.67 --	-- -- -- -- --	9.45 1 268.50 64.59 440.67 0.003
2	<b>Due by Company</b> <b>As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. <b>As Advance from Customer/Trade Payable</b> - Raghuvir Exim Ltd. <b>As Remuneration</b> - Sunil R. Agarwal	2.97 -- -- -- -- --	-- -- -- -- -- --	-- 0.18 0.69 1 962.72 --	-- -- -- -- -- --	2.97 0.18 0.69 1962.72 -- --

### Note 40.2: Related Party Disclosures for the year ended March 31, 2021

(b) Details of Related Parties

Sr. No.	Name of Related Parties	Description of Relationship
1 2 3	Sunil R. Agarwal Yash S. Agarwal Hardik S. Agarwal	Key Management Personnel
4 5 6 7 8	Raghuvir Exim Ltd. The Sagar Textiles Mills Pvt. Ltd. Raghuvir Research Foundation Trust HYS Developers LLP HYS Lifecare LLP	Enterprise over which key management personnel exercise significant influence by controlling interest.
9 10 11	Raghukaushal Textile Pvt. Ltd. Raghuvir Life Style Pvt. Ltd. RSL Dyecot Pvt Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

- (b) Details of transactions with related parties for the year ended March 31, 2021 in the ordinary course of business:

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which key management personnel exercise significant influence by controlling interest.	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	356.40	--		356.40
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 -- --	-- 2.03 2.54		33.05 2.03 2.54
3	<b>Sales Processing Charges, Freight and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd.	-- --		321.95 76.68	321.95 76.68
4	<b>Finished Goods sales</b> - HYS Developers LLP - Raghuvir Exim Ltd. - Raghuvir Lifestyle Pvt Ltd	-- -- --	5.42 13 922.96 --	-- -- 40.02	5.42 13 922.96 40.02
5	<b>Purchase</b> - HYS Developers LLP - The Sagar Textiles Mills Pvt. Ltd. - Raghuvir Exim Ltd.	-- -- --	7,785.73 3,219.20 761.53		7,785.73 3,219.20 761.53
6	<b>Donation</b> - Raghuvir Research Foundation	--	38.00		38.00
7	<b>Job Charges</b> - HYS Developers LLP	--	6.69		6.69

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

(c) Amount due to / from related parties as at March 31, 2021

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which key management personnel exercise significant influence by controlling interest.	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Due to Company</b> <b>As Trade Receivables/ Advance Given</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd - Raghuvir Lifestyle Pvt Ltd	-- -- --	-- 0.01 --	1.43 -- 24.13	1.43 0.01 24.13
2	<b>Due by Company</b> <b>As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. - HYS Developers LLP <b>As Advance from Customer/Trade Payable</b> - Raghuvir Exim Ltd. - HYS Developers LLP - The Sagar Textile Mill Pvt. Ltd. <b>As Remuneration</b> - Sunil R. Agarwal	3.04 -- -- -- -- -- -- 9.40	-- 0.37 0.22 93.53 1096.11 -- 348.43 --	-- -- -- -- -- -- --	3.04 0.37 0.22 93.53 1096.11 -- 348.43 9.40

**Note:** The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole.

### Note 41: Capital Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company.

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	3124.39	2 776.30
As percentage of total capital	69.82%	68.16%
Current loans and borrowings	482.60	378.93
Non-current loans and borrowings	873.51	979.44
Total loans and borrowings	1356.11	1 358.37
Cash and cash equivalents	4.99	61.63
Net loans & borrowings	1351.12	1 296.74
As a percentage of total capital	30.19%	31.84%
<b>Total capital (loans and borrowings and equity)</b>	<b>4475.51</b>	<b>4073.04</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

### Note 42: Disclosure on Financial Instruments

#### A. Financial instruments by category

[₹ in Lakhs]

Particulars	31 <sup>st</sup> March, 2022			31 <sup>st</sup> March, 2021		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
Investments	0.51	--	--	--	--	--
Trade & other receivables	7.65	--	--	466.81	--	--
Cash & cash equivalents	4.99	--	--	61.63	--	--
Other bank balances	17.72	--	--	24.98	--	--
Other financial assets	278.56	--	--	698.58	--	--
<b>Total Financial Assets</b>	<b>309.43</b>	<b>--</b>	<b>--</b>	<b>1252.00</b>	<b>--</b>	<b>--</b>
<b>Financial Liabilities</b>						
Borrowings	1356.11		--	1358.37	--	--
Lease Liabilities	333.08		--	336.08	--	--
Trade payables	131.22		--	877.61	--	--
Other financial liabilities		44.62	--	--	30.31	--
<b>Total Financial Liabilities</b>	<b>1689.19</b>	<b>44.62</b>	<b>--</b>	<b>2572.06</b>	<b>30.31</b>	<b>--</b>

#### Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### B. Fair value hierarchy for assets

##### Financial assets measured at fair value at March 31, 2022

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments	--	--	--	--

##### Financial assets measured at fair value at March 31, 2021

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments	--	--	--	--

Notes forming part of financial statement

**Notes:**

**Level 1** hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

**Level 2** hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

**Level 3** if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**C. Fair value of financial assets and liabilities measured at amortized cost**

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**D. Derivative Financial Instrument**

The Company takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:-

[in Lakhs]

Nature	Particulars of Derivative		Purpose
	As at 31st March, 2022	As at 31st March, 2021	
INR - Foreign Currency Swap	7.84 USD	11.39 USD	Hedging of equivalent INR borrowing to mitigate higher interest rate of INR borrowings as against the foreign currency loans with possible risk of principal currency losses

**Note 43: Financial risk management**

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.



## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of financial statement

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.

#### (a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### Allowance for Doubtful Debts

The company has provided allowance for doubtful debts based on lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

[₹ in Lakhs]		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance as per last financial year</b>	<b>1.99</b>	1.70
<b>Add:</b> Allowance for the year	--	0.30
<b>Less:</b> Write off of bad debts and other adjustment (net of recovery)	--	--
<b>Balance at the end of the year</b>	<b>1.99</b>	1.99

#### Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of financial statement

#### (b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

#### Financing arrangements

The working capital position of the Company is given below:

[₹ in Lakhs]

Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Cash and cash equivalents	4.99	61.63

#### Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

#### As at March 31, 2022

[₹ in Lakhs]

Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings	--	873.51	--
Lease Liabilities		21.71	308.10
	--	895.22	308.10
Current financial liabilities			
Borrowings from Banks	482.60	--	--
Lease Liabilities	3.27	--	--
Trade payables	131.22	--	--
Fair Value of Derivatives not designated as hedge	44.62		
	661.71	--	--
Total financial liabilities	661.71	895.22	308.10

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

As at March 31, 2021

[₹ in Lakhs]

Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	--	986.48	--
Lease Liabilities	--	19.82	313.27
	--	1006.30	313.27
Current financial liabilities			
Borrowings from Banks	378.93		--
Lease Liabilities	2.99		
Trade payables	877.61	--	--
Fair Value of Derivatives not designated as hedge	30.31		
	1 289.84	--	--
Total financial liabilities	<b>1 289.84</b>	<b>1006.30</b>	<b>313.27</b>

<sup>^</sup> Borrowings are disclosed net of processing charges.

### (c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Repo Rate (except for vehicle loan and GECL loan). The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations from internal accruals.

The exposures of the Company's financial assets / liabilities at the end of the reporting period are as follows:

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	1356.11	1358.37
	<b>1356.11</b>	<b>1358.37</b>

Notes forming part of financial statement

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

[₹ in Lakhs]

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Impact on profit – increase in 50 basis points	6.51	1.41
Impact on profit – decrease in 50 basis points	(6.51)	(1.41)

**Note 44:**

At the behest of Hon'ble Gujarat High Court upon a suo-moto writ petition, Ahmedabad Municipal Corporation (AMC) has undertaken a drive to disconnect effluent discharge connection of all units discharging water effluent in the sewage lines of AMC. Accordingly, the treated effluent discharge connection of the Company was disconnected on 30/11/2021. In the city of Ahmedabad, more than 400 connections were snapped by AMC by December 2021.

As result of this, the manufacturing operations of the Company have come to a standstill. The matter was disclosed to the stock exchanges on 13/12/2021 in terms of SEBI (LoDR) Regulations. It would be relevant to note that the Company has the requisite approvals from the competent authorities to discharge industrial effluents after treating the same in its inhouse effluent treatment plant. The Company has already filed a civil application in the matter against this disconnection. Hearing on application has been completed and order of the Hon'ble Gujarat High Court is awaited. It is not possible to project any timeline for resolution of the matter.

**Note 45:**

**(a) Due to Micro, Small and Medium Enterprise**

[₹ in Lakhs]

Sr. No.	Particulars	2021-2022	2020-2021
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSME Act 2006.	NIL	NIL

The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act, 2006).

- (b)** The company has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of financial statement

### Note 46: Un-hedged Foreign Currency Exposure

The Company does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments.

### Note 47: Leases

Factory Building and Godown have been taken on lease by the Company. The terms of lease rent are for the period 30 years. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

### Future minimum lease payments under leases on an undiscounted basis

[₹ in Lakhs]

Particulars	31st March, 2022	31st March, 2021
Within one year	35.08	35.08
After one year but not later than five years	175.42	182.84
More than five years	701.70	736.78
<b>Total</b>	<b>912.20</b>	<b>954.70</b>

### NOTE 48: Ratio

Sr. No	Ratio	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance	Remarks
1	Current Ratio (In times)	Total Current Asset	Total Current Liabilities	1.15	1.13	1.77%	
2	Debt-Equity Ratio (In times)	Total Debt (Long term borrowings, Short Term Borrowings and Lease liabilities (Current & Non Current))	Shareholder's Equity	0.54	0.61	-11.48%	
3	Debt Service Coverage Ratio (In times)	Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments)	Debt service (Interest and lease payments + Principal repayments)	1.80	3.23	-44.38%	Note 1
4	Return on Equity Ratio (in %)	Profit for the year	Average Shareholders equity	11.56%	23.75%	-51.34%	Note 2
5	Inventory turnover ratio (In times)	Sales	Average inventory	15.86	9.24	71.65%	Note 3
6	Trade Receivables turnover ratio (In times)	Net Sales	Average account receivables	90.37	37.18	143.06%	Note 4

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of financial statement

7	Trade Payable turnover ratio (In times)	Cost of Material Consumed (including purchase of stock in trade) + Other Expenses	Average account payables	40.58	14.62	177.56%	Note 5
8	Net capital turnover ratio (In times)	Net Sales	Net working capital	51.40	51.27	0.25%	
9	Net profit ratio (in %)	Net profit after taxes	Net Sales	2.00%	3.00%	-33.33%	Note 6
10	Return on Capital employed (in %)	Earning before Interest and taxes	Capital employed (Net worth + Lease liabilities + Deferred tax liabilities)	11.00%	19.00%	-42.11%	Note 7

Note:

- 1 Debt Service Coverage ratio is decreased as earnings for debt services have been reduced during the current year as Company's operations and profitability have been effected due to shut down of manufacturing operations for last few months.
- 2 Return on Equity ratio is decreased as profit for the year is decreased compare to previous year, due to shut down of manufacturing operation for last few months.
- 3 Increase in ratio due to decrease in closing inventories compare to previous year.
- 4 Increase due to increase in sales and better management of its collection as compared to previous year.
- 5 Increase in ratio due to increased cost of good purchased and payment made to creditors at the year end.
- 6 Net Profit Ratio is reduced in current year compare to previous year as margin for sale in current year reduced compare to previous year.
- 7 Return on capital employed ratio is being decreased as earnings before interest and taxes is being decreased as compare to previous year due to shut down of manufacturing operations for last few months.
- 8 During the current year, the Company has not earned income on the investments, as investment is done in subsidiary during the year. In previous year there was no investment. Accordingly, ratio for Return on Investments has not been presented.

#### NOTE 49 :Details Of Benami Property Held

The Company does not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Hence any proceeding has not been initiated or pending against the group companies for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

#### NOTE 50 : Relationship With Struck Off Companies

The company does not have transactions with companies struck off under section 248 of the companies act, 2013 or section 560 of the companies act, 1956.

#### NOTE 51 :Revaluation Of Property, Plant And Equipment And Intangible Assets

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.

#### NOTE 52 :Utilisation Of Borrowed Funds And Share Premium

- (a) During the year, no funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the company to any other persons or entities,

**Notes forming part of financial statement**

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including foreign entities with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (b) During the year, the company has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 53: Undisclosed Income**

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961).

**NOTE 54: Details Of Crypto Currency Or Virtual Currency**

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

**NOTE 55: Registration of Charges or Satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

**NOTE 56: Compliance with number of layers of companies**

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies ( Restriction on number of Layers) Rules, 2017.

**NOTE 57: Borrowings obtained on the basis of security of current assets**

The Company does not have any sanctioned working capital limits from banks on the basis of security of current assets.

**NOTE 58: Wilful Defaulter**

The Company has not been declared Wilful Defaulter by any bank or financial institution or any other lender.

**Note 59: Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.**

The Company have not given any loans or advances in the nature of loans to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

**Note 60: Approved scheme of arrangements**

The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

Notes forming part of financial statement

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**Note 61: Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

**Note 62: Statement of Management**

- (a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and financial performance of the Company for the year under review.

**Note 63:**

The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]  
*Chartered Accountants*

**FOR AND ON BEHALF OF BOARD**

**ASHOK K. BHATT**

*Proprietor*  
Mem. No. 36439

**SUNIL R. AGARWAL**

*Chairman & Managing Director*  
DIN: 00265303

**YASH S. AGARWAL**

*Joint Managing Director*  
DIN : 02170408

**SWATI JAIN**

*Company Secretary*

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2022

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2022



**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**RAGHUVIR SYNTHETICS LIMITED**

**Consolidated Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the accompanying consolidated Financial Statements of **RAGHUVIR SYNTHETICS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31<sup>st</sup> March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

**Basis for Opinion**

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

**Key Audit Matters**

We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon. The Holding Company's annual report is expected to be made available to us

## ***Ashok K. Bhatt & Co.***

### **Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

### **Management's Responsibility for the Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of

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

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the financial reporting process of each Company.

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

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

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

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

We communicate with those charged with governance of the Holding Company and such other

Companies included in the consolidated financial statements of which we are the independent

auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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

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

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

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiary referred to in the other matters section above we report that, to the extent applicable
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2022 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiary, as on 31<sup>st</sup> March 2022, none of the directors of the Group companies incorporated in India is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

## ***Ashok K. Bhatt & Co.***

**Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary to its Directors during the year is in accordance with the provisions of Section 197 of the Act
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Group has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements. Refer notes 35 to the Consolidated financial statements.
  - (ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- (iv)(a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds(which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary company, from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

***Ashok K. Bhatt & Co.***

**Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Parent has not declared or paid any dividend during the year and has not proposed final dividend for the year.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**ASHOK K. BHATT**

*Proprietor*

Mem. No. 36439

UDIN: 22036439AMCPJV3480

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2022

**Annexure - A to the Independent Auditors' Report of even date on the Ind AS Financial Statements of RAGHUVIR SYNTHETICS LIMITED**

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31<sup>st</sup> March, 2022, we have audited the internal financial controls over financial reporting of **RAGHUVIR SYNTHETICS LIMITED** ("hereinafter referred to as "Parent"), its subsidiary, which are companies incorporated in India, as of that date.

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

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

**Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary which is company incorporated in India, in terms of their

## ***Ashok K. Bhatt & Co.***

**Chartered Accountants**

B-603, Signature-2, Nr. Sanand Sarkhej Circle, S.G. Highway, Ahmedabad-382210. Phone : 079-26893250

reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary incorporated in India.

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**ASHOK K. BHATT**

*Proprietor*

Mem. No. 36439

UDIN: 22036439AMCPJV3480

Place : Ahmedabad

Date : 27<sup>th</sup> May, 2022



**RAGHUVIR SYNTHETICS LIMITED**  
**Consolidated Balance Sheet as at March 31, 2022**

[₹ in Lakhs]

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	3 006.91	3 131.23
Right to Use Asset	6	305.99	317.76
Capital work-in progress	7	450.95	156.36
Financial Assets			
Other Financial Assets	8	91.11	121.60
Other non current assets	9	88.60	1.60
		<b>3 943.56</b>	<b>3 728.55</b>
<b>Current assets</b>			
Inventories	10	1 034.69	1 668.26
Financial assets			
Trade Receivables	11	7.65	466.81
Cash and Cash Equivalents	12	6.06	61.63
Other Bank Balances	13	17.72	24.98
Other Financial Assets	8	187.45	576.98
Current Tax Assets (Net)	14	105.27	30.87
Other Current Assets	9	1 752.94	76.06
		<b>3 111.78</b>	<b>2 905.59</b>
Asset classified held for sale	15	263.50	352.00
		<b>3 375.28</b>	<b>3 257.59</b>
<b>TOTAL ASSETS</b>		<b>7 318.84</b>	<b>6 986.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	16	387.50	385.41
Other Equity	17	2 736.57	2 390.89
Non-controlling Interest	18	0.18	-
		<b>3 124.25</b>	<b>2 776.30</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
Borrowings	19	873.77	979.44
Lease Liabilities	6	329.81	333.09
Provisions	20	22.60	37.06
Deferred Tax liabilities(Net)	21	271.86	286.18
Other Non-current Liabilities	22	2.52	5.76
		<b>1 500.56</b>	<b>1 641.53</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	23	482.60	378.93
Lease Liabilities	6	3.27	2.99
Trade and Other Payables	24		
-Total outstanding dues of Micro and Small Enterprise		-	-
-Total outstanding dues of creditors other than Micro and Small Enterprise		131.22	877.61
Other Financial Liabilities	25	44.62	30.31
Other Current liabilities	21	2 005.84	1 214.76
Provisions	19	26.48	6.98
Current tax liabilities (Net)	26	-	56.73
		<b>2 694.03</b>	<b>2 568.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7 318.84</b>	<b>6 986.14</b>
<b>Significant Accounting Policies 4</b>			

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
**Chartered Accountants**

**ASHOK K. BHATT**  
Proprietor  
Mem. No. 36439

Place : Ahmedabad  
Date : 27th May, 2022

**FOR AND ON BEHALF OF THE BOARD**

**SUNIL R. AGARWAL      YASH S. AGARWAL**  
Chairman & Managing Director      Joint Managing Director  
DIN: 00265303      DIN : 02170408

**SWATI JAIN**  
Company Secretary  
Place : Ahmedabad  
Date : 27th May, 2022

**RAGHUVIR SYNTHETICS LIMITED**

**Consolidated Statement of Profit and Loss for the year ended March 31, 2022**

[₹ in Lakhs]

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>INCOME</b>			
Revenue from Operations	27	21 548.87	17 420.53
Other Income	28	308.61	549.90
<b>TOTAL INCOME</b>		<b>21 857.48</b>	<b>17 970.43</b>
<b>EXPENSES</b>			
Cost of Material Consumed	29	12 334.26	12 515.17
Purchase of Stock in Trade		5 606.66	63.80
Changes in inventories	30	(205.32)	493.64
Operating Expenses	31	2 234.40	2 647.23
Employee benefits expense	32	581.30	575.43
Finance Cost	33	112.46	90.16
Reduction in fair value of assets held for sale		-	25.23
Depreciation and Amortization	34	489.93	441.63
Other Expenses	35	292.53	349.39
<b>TOTAL EXPENSES</b>		<b>21 446.22</b>	<b>17 201.68</b>
<b>Profit before tax</b>		<b>411.26</b>	<b>768.75</b>
<b>Tax expense</b>	21		
Current tax		126.00	189.33
Short Excess provision for Earlier period		(39.67)	-
Deferred tax		(15.44)	(9.96)
<b>TOTAL TAX EXPENSE</b>		<b>70.89</b>	<b>179.37</b>
<b>Profit for the year</b>		<b>340.37</b>	<b>589.38</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of the defined benefit plans		4.03	0.77
Tax relating to remeasurement of the defined benefit plans		(1.12)	(0.21)
<b>Total other comprehensive income for the year, net of tax</b>		<b>2.91</b>	<b>0.56</b>
<b>Total comprehensive income for the year</b>		<b>343.28</b>	<b>589.94</b>
<b>Profit/(Loss) For The Year Attributable to :</b>			
Owners of the Parent		340.68	589.38
Non Controlling Interest		(0.31)	-
<b>Other Comprehensive Income For The Year Attributable to :</b>			
Owners of the Parent		2.91	0.56
Non Controlling Interest		-	-
<b>Total Comprehensive Income For The Year Attributable to :</b>			
Owners of the Parent		343.59	589.94
Non Controlling Interest		(0.31)	-
<b>Earning per Equity Share</b>	<b>36</b>		
Basic		0.88	1.53
Diluted		0.88	1.53

**Significant Accounting Policies 4**

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**

Proprietor

Mem. No. 36439

**SUNIL R. AGARWAL**

Chairman & Managing Director

DIN: 00265303

**YASH S. AGARWAL**

Joint Managing Director

DIN : 02170408

**SWATI JAIN**

Company Secretary

Place : Ahmedabad

Date : 27th May, 2022

Place : Ahmedabad

Date : 27th May, 2022

**RAGHUVIR SYNTHETIC LIMITED**

**Consolidated Statement of Cash Flows for the year ended March 31, 2022**

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year before taxation	<b>411.26</b>	<b>768.75</b>
<b>Adjustments for</b>		
Depreciation and amortisation	489.93	441.63
Finance cost	112.46	90.16
Interest Income from financial assets measured at amortised cost	(9.94)	(9.18)
Loss/gain on sale of property plant & equipment (net)	(25.61)	1.80
Allowance for Capital Advance	-	14.30
Reduction in fair value of assets held for sale	-	25.23
Remeasurement of the defined benefit plans	4.03	0.77
Operating profit before working capital changes	<b>982.13</b>	<b>1 333.46</b>
<b>Adjustments for Changes in working capital</b>		
Decrease / (Increase) in Inventories	633.57	407.69
Decrease / (Increase) in Trade receivables	459.16	(3.40)
Decrease / (Increase) in Other Non current financial assets	30.49	(51.19)
Decrease / (Increase) in Other current financial asset	389.53	(112.89)
Decrease / (Increase) in Other non current asset	(87.00)	52.42
Decrease / (Increase) in Other current assets	(1,676.88)	270.75
Decrease / (Increase) in Other Bank balances	7.26	58.68
Decrease / (Increase) in Assets held for sale	88.50	-
Increase / (Decrease) in Trade Payables	(746.20)	(377.02)
Increase / (Decrease) in Provisions	5.04	7.46
Increase / (Decrease) in Other Non current liabilities	(3.24)	(3.24)
Increase / (Decrease) in Other current liabilities	805.39	(935.30)
Cash generated from operations	<b>887.75</b>	<b>647.41</b>
Direct taxes Refund/(paid)	(217.46)	(139.38)
<b>Net Cash from Operating Activities</b>	<b>[A] 670.29</b>	<b>508.03</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (Net)	(622.83)	(575.44)
Interest received	9.94	9.18
<b>Net Cash from / (used in) investing activities</b>	<b>[B] (612.89)</b>	<b>(566.26)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from borrowings	(2.00)	159.85
Changes in Minority fund	0.31	-
Lease payment	(3.00)	(2.73)
Receipt of Calls in arrears (including premium)	4.18	-
Interest paid	(112.46)	(90.16)
<b>Net cash flow from financial activities</b>	<b>[C] (112.97)</b>	<b>66.96</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>[A+B+C] (55.57)</b>	<b>8.74</b>
Cash and cash equivalents opening	61.63	52.89
Cash and cash equivalents closing	<b>6.06</b>	<b>61.63</b>
<b>Components of Cash and cash equivalent</b>		
Balances with scheduled banks	4.83	44.00
Fixed Deposits with maturity less than 3 months	-	16.08
Cash in hand	1.23	1.55
	<b>6.06</b>	<b>61.63</b>

**Explanatory Notes to Cash Flow Statement**

- The Cash Flow Statement is prepared by using indirect method in accordance with the format prescribed by Indian Accounting Standard 7.
- In Part A of the Cash Flow Statements, figures in brackets indicates deductions made from the net profit for deriving the cash flow from operating activities. In part B & part C, figures in brackets indicates cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.
- Disclosure of Changes in liabilities arising from Financing Activities, including both changes arising from Cash flow and non-cash changes are given below:

Particulars	As at 1st April, 2021	Net Cash flow	Non - Cash Changes	As at 31st March, 2022
Borrowings	1 358.37	(2.00)	-	1 356.37

As per our report of even date

**FOR ASHOK K. BHATT & CO.**  
[Firm Registration No. 100657W]  
Chartered Accountants

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**  
Proprietor  
Mem. No. 36439

**SUNIL R. AGARWAL**  
Chairman & Managing Director  
DIN: 00265303

**YASH S. AGARWAL**  
Joint Managing Director  
DIN : 02170408

**SWATI JAIN**  
Company Secretary

Place : Ahmedabad  
Date 27th May, 2022

Place : Ahmedabad  
Date : 27th May, 2022

**RAGHUVIR SYNTHETICS LIMITED**

**Consolidated Statement of changes in Equity for the year ended March 31, 2022**

**A. Equity share capital**

[₹ in Lakhs]

<b>As at April 1, 2021</b>	<b>385.41</b>
Issue of Equity Share capital	-
Receipt of Calls in Arrears	2.09
<b>As at March 31, 2022</b>	<b>387.50</b>

**B. : Other equity**

[₹ in Lakhs]

Particulars	Reserves and Surplus			Other Comprehensive Income	Total equity
	Securities Premium	General Reserve	Retained Earnings		
<b>Balance as at April 1, 2021</b>	170.41	160.21	1 477.45	(7.09)	1 800.95
Profit for the year	-	-	589.38	-	589.38
Other comprehensive income for the year	-	-	-	0.56	0.56
<b>Balance as at March 31, 2022</b>	<b>170.41</b>	<b>160.21</b>	<b>2 066.83</b>	<b>(6.53)</b>	<b>2 390.89</b>
Profit for the year	-	-	340.37	-	340.37
Receipt of Premium during the year	2.09	-	-	-	2.09
Other comprehensive income for the year	-	-	-	2.91	2.91
<b>Balance as at March 31, 2022</b>	<b>172.50</b>	<b>160.21</b>	<b>2 407.20</b>	<b>(3.62)</b>	<b>2 736.26</b>

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

As per our report of even date

**FOR ASHOK K. BHATT & CO.**

[Firm Registration No. 100657W]

*Chartered Accountants*

**FOR AND ON BEHALF OF THE BOARD**

**ASHOK K. BHATT**

*Proprietor*

Mem. No. 36439

**SUNIL R. AGARWAL**

*Chairman & Managing Director*

DIN: 00265303

**YASH S. AGARWAL**

*Joint Managing Director*

DIN : 02170408

**SWATI JAIN**

*Company Secretary*

Place : Ahmedabad

Date : 27th May, 2022

Place : Ahmedabad

Date : 27th May, 2022

**Notes forming part of the Consolidated Financial Statements**

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**1 Group Information**

The Consolidated financial statements comprises of the financial statements of Raghuvir Synthetics Limited (the Holding Company) its subsidiary (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements".

The consolidated financial statements as at 31st March 2022 present the financial position of the Group.

The consolidated financial statements for the year ended 31st March 2022 were approved by the Board of Directors and authorised for issue on 27<sup>th</sup> May, 2022.

**2 Basis of Preparation**

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, also add reference of Ind AS Amendment Rules, 2018 as applicable. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an on-going basis.

**2.1 Statement of Compliance**

The Consolidated financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended 31<sup>st</sup> March, 2021 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("the Act") duly approved by the Board of Directors at its meeting held on November 2, 2021.

**2.2 Basis of Measurement**

The Ind AS Standalone financial statements of the Group have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis of accounting, except for certain Assets and Liabilities as stated below:

- (a) Financial instruments (assets / liabilities) classified as Fair Value through profit or loss or Fair Value through Other Comprehensive Income are measured at Fair Value.
- (b) The defined benefit asset/liability is recognised as the present value of defined benefit obligation less fair value of plan assets.

The above items have been measured at Fair Value and the methods used to measure Fair Values are discussed further in Note 4.14.

**2.3 Functional and Presentation Currency**

Items included in the Consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). Indian Rupee is the functional currency of the Group.

The Standalone financial statements are presented in Indian Rupees (₹) which is the Group's presentation currency, and all the values are rounded to the nearest rupees except when otherwise stated.

**3 Significant accounting judgments, estimates and assumptions**

The preparation of Consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of Standalone financial statements, income and expense during the

**Notes forming part of the Consolidated Financial Statements**

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period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Group's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the Standalone financial statements.

**3.1 Impairment of investments in subsidiary**

The Group reviews its carrying value of investments at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

**3.2 Useful lives of property, plant and equipment**

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

**3.3 Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**3.4 Employee Benefits**

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

**3.5 Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

**3.6 Impairment of Property, Plant & Equipment**

The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.

**3.7 Litigations**

The provision is recognized based on the best estimate of the amount desirable to settle the present obligation arising at the reporting period and of the income is recognized in the cases involving high degree of certainty as to realization.

**3.8 Allowance for uncollectible trade receivables**

Provision matrix takes into accounts historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the day of the receivables are

Notes forming part of the Consolidated Financial Statements

due and the rates as given in the provision matrix

### 3.9 Estimation of net realizable value for assets held for sale

Non - current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less cost to sell.

## 4 Significant Accounting Policies

### 4.1 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

#### (a) Financial Assets

Financial Assets comprises of trade receivables, cash and cash equivalents and other financial assets.

##### Initial Recognition:

All financial assets which are not recorded at fair value through Profit and Loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group committed to purchase or sell the asset.

##### Subsequent Measurement:

#### (i) Financial assets measured at amortized Cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### (ii) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the Group classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

#### (iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

#### De-recognition of Financial Assets:

Notes forming part of the Consolidated Financial Statements

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.

**(b) Financial Liabilities**

**Initial Recognition and Measurement**

Financial Liabilities are initially recognized at fair value plus any transaction costs, (if any) which are attributable to acquisition of the financial liabilities.

**Subsequent Measurement:**

Financial Liabilities are classified for subsequent measurement into following categories:

**(i) Financial liabilities at Amortized Cost:**

The Group is classifying the following under amortized cost:

- Borrowing from Banks
- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

**(ii) Financial liabilities at Fair Value through Profit or Loss:**

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

**De-recognition of Financial Liabilities:**

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

**(c) Offsetting of Financial assets and Financial Liabilities**

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Group has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

**(d) Reclassification of Financial Assets**

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Group's Operations. A Change in business



## Notes forming part of the Consolidated Financial Statements

occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**(e) Derivative financial instruments****Initial recognition and subsequent measurement**

The Group uses derivative financial instruments, such as cross currency swaps and interest rate swaps to hedge interest rate risks. Such derivative financial instruments are initially recognised at fair value through profit or loss (FVTPL) on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument or on settlement of such derivative financial instruments are recognised in statement of profit and loss and are classified as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost.

**4.2 Share Capital**

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

**4.3 Property, Plant and Equipment**

Property, plant and equipment held for use in the supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for supply of services or administrative purpose are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable cost and for qualifying assets, borrowing cost capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of Property Plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use. The Group has estimated the following useful life to provide depreciation on its certain Property, Plant and Equipment assets based on assessment made by expert and management estimate.

**Estimated useful lives of the assets are as follows:**

Type of Asset	Useful Life
Solar Plant	20 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference

**Notes forming part of the Consolidated Financial Statements**

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between the sales proceeds and the carrying amount of the asset and are recognised net within “other income / other expenses” in the Statement of profit and loss.

**4.4 Intangible assets**

**Intangible Assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

**Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is de-recognised.

**4.5 Assets held for sale**

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost of sale and are presented separately in the Balance Sheet.

Non-current assets held for sale are neither depreciated nor amortised.

**4.6 Inventories**

Raw Materials, Stock-in-process, Finished Goods are valued at lower of cost or net realizable value. Stores, Colours & Chemicals and Coal are valued at cost. Processed Goods Returned is valued at net realizable value. Cost of stock-in-process and finished goods include materials, labour, manufacturing overhead and other cost incurred in bringing the inventories to their present location.

Items of Colour and Chemicals, Stores and Spares are charged to revenue at the stage of purchase and stock of such items as at the end of the year is accounted at cost.

The stock of scrap / waste materials are valued at estimated net realizable value.

**4.7 Impairment**

**(a) Financial assets (other than at fair value)**

The Group assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

**(b) Non-financial assets**

**Tangible and Intangible assets**

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

**Reversal of impairment loss**

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

**4.8 Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**4.9 Revenue Recognition**

**Revenue:**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

**Notes forming part of the Consolidated Financial Statements**

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- (i) Sale of Goods Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements.
- (ii) Revenue from job work processes are recognized as and when the related jobs are performed, the cost incurred up to reporting date for the in-completed jobs are carried to balance sheet under the head cost on job work in process.
- (iii) The Group accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax/ GST in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognized on accrual basis. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same
- (iv) Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

**Contract balances:**

(a) Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

(b) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

(c) Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities (Advance from customers) are recognised as revenue when the Group performs under the contract.

**4.10 Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Company as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned

Notes forming part of the Consolidated Financial Statements

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**The Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognises right-of-use assets ("ROU Assets") at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in 4.6 Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities has been presented under the head "Other Financial Liabilities".

(iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Notes forming part of the Consolidated Financial Statements**

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**4.11 Foreign Currency Translation**

The functional currency of the Group is the Indian Rupee (₹)

(i) Initial Recognition

Transactions denominated in foreign currencies entered into by the Group are normally recorded at the exchange rates prevailing on the date of transaction or at monthly average exchange rate prevailing at the time of the transaction.

(ii) Measurement at the Balance Sheet date

Monetary items denominated in foreign currency at year end date are restated at exchange rate prevailing on that date.

(iii) Treatment of exchange differences

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**4.12 Borrowing Costs**

Borrowing costs include

- (i) interest expense calculated using the effective interest rate method,
- (ii) finance charges in respect of finance leases, and
- (iii) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**4.13 Government Grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

When the grant relates to an asset, it is treated as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in statement of profit and loss in the period in which they become receivable.

**Notes forming part of the Consolidated Financial Statements**

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**4.14 Employee benefits**

**(a) Short-term obligations**

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**(b) Post-employment obligations**

The Group operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans.

**(i) Defined contribution plans**

The Group has defined contribution plan for the post-employment benefits namely Provident Fund, Employees Death Linked Insurance and Employee State Insurance and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Group does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

**(ii) Defined benefit plans**

The Group has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

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

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

**4.15 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax

**(i) Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense

**Notes forming part of the Consolidated Financial Statements**

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that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**(ii) Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**(iii) Current and deferred tax for the year**

Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**4.16 Earnings per share**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**4.17 Fair Value Measurement**

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair value is the price that would be received on sell of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer



Notes forming part of the Consolidated Financial Statements

the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

- (a) Investment in equity and debt securities

The fair value is determined by reference to their quoted price at the reporting date. In the absence of quoted price, the fair value of the financial asset is measured using valuation techniques.

- (b) Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets.

- (c) Non derivative financial liabilities

Fair Value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. For finance leases, the market rate of interest is determined by reference to similar lease agreements.

#### 4.18 Current / non- current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Group's normal operating cycle;
- (b) it is held primarily for the purpose of trading;

**Notes forming part of the Consolidated Financial Statements**

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- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

#### **4.19 Cash and cash equivalent**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

#### **4.20 Segment Reporting**

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets other than goodwill.

**RAGHUVIR SYNTHETICS LIMITED**

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**Note 5 : Property, Plant and Equipment**

**Note 5.1 : As at March 31, 2022**

Particulars	Gross Block					Accumulated Depreciation			Net carrying amount As at 31/03/2022
	As at 01/04/2021	Additions	Deduction Adjustments	As at 31/03/2022	Upto 31/03/2021	For the year	Deduction Adjustments	Upto 31/03/2022	
<b>Owned Assets</b>									
Land	11.47	-	-	11.47	-	-	-	-	11.47
Factory Building	398.45	-	-	398.45	77.25	14.17	-	91.42	307.03
Plant & Machinery	3 954.66	360.22	47.68	4 267.20	1 197.82	454.24	32.27	1 619.79	2 647.41
Furniture & Fixture	2.40	1.94	-	4.34	1.41	0.21	-	1.62	2.72
Office Equipments	7.71	0.21	-	7.92	4.49	0.92	-	5.41	2.51
Computer	2.70	3.64	-	6.34	1.28	0.49	-	1.77	4.57
Vehicle	42.71	-	-	42.71	6.62	4.89	-	11.51	31.20
	<b>4 420.10</b>	<b>366.01</b>	<b>47.68</b>	<b>4 738.43</b>	<b>1 288.87</b>	<b>474.92</b>	<b>32.27</b>	<b>1 731.52</b>	<b>3 006.91</b>

**Note 5.2 : As at March 31, 2021**

Particulars	Gross Block					Accumulated Depreciation			Net carrying amount As at 31/03/2021
	As at 01/04/2020	Additions	Deduction Adjustments	As at 31/03/2021	Upto 31/03/2020	For the year	Deduction Adjustments	Upto 31/03/2021	
<b>Owned Assets</b>									
Land	11.47	-	-	11.47	-	-	-	-	11.47
Factory Building	398.45	-	-	398.45	60.14	17.11	-	77.25	321.20
Plant & Machinery	3 493.82	488.59	27.75	3 954.66	804.81	407.24	14.23	1 197.82	2 756.84
Furniture & Fixture	2.40	-	-	2.40	1.14	0.27	-	1.41	0.99
Office Equipments	7.71	-	-	7.71	3.53	0.96	-	4.49	3.22
Computer	2.58	0.12	-	2.70	1.19	0.09	-	1.28	1.42
Vehicle	42.95	-	0.24	42.71	2.43	4.19	-	6.62	36.09
	<b>3 959.38</b>	<b>488.71</b>	<b>27.99</b>	<b>4 420.10</b>	<b>873.24</b>	<b>429.86</b>	<b>14.23</b>	<b>1 288.87</b>	<b>3 131.23</b>

Note The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 6 : As on 31st March 2022**

**Note 6.1: Right To use Assets**

[₹ in Lakhs]

Particulars	Category of ROU Asset		Total
	Factory Building	Godown	
<b>Balance as on 31st March 2020</b>	286.55	42.98	329.53
Deletion	-	-	-
Depreciation	10.23	1.54	11.77
<b>Balance as on 31st March 2021</b>	276.32	41.44	317.76
Deletion	-	-	-
Depreciation	10.23	1.54	11.77
<b>Balance as on 31st March 2022</b>	<b>266.08</b>	<b>39.91</b>	<b>305.99</b>

**Note 6.2: Lease Liabilities**

Particulars	Total
<b>Balance as on 31st March 2020</b>	338.81
Finance cost accrued during the period	32.36
Deletion	-
Payment of lease liabilities	35.08
<b>Balance as on 31st March 2021</b>	<b>336.09</b>
<b>Balance as on 31st March 2021</b>	<b>336.09</b>
Finance cost accrued during the period	32.10
Deletion	-
Payment of lease liabilities	35.11
<b>Balance as on 31st March 2022</b>	<b>333.08</b>

**Note 6.3: Breakup of Current and Non Current Liabilities**

Particulars	Total
Current Liabilities	3.27
Non Current Liabilities	329.81
<b>Total</b>	<b>333.08</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 7 : Capital work in progress**

**Note 7.1 : As at March 31, 2022**

[₹ in Lakhs]

Particulars	As at 01/04/2021	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2022
Plant & Machinery	156.36	450.95	-	156.36	450.95

**Note 7.2 : As at March 31, 2020**

[₹ in Lakhs]

Particulars	As at 01/04/2020	Additions	(Deductions)/ Adjustment	Capitalised	As at 31/03/2021
Plant & Machinery	16.45	628.50	-	488.59	156.36

**Note - 7A : Capital Work - in - Progress**

**Capital Work -in- Progress ageing schedule as at 31st march, 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	more than 3 years	
Projects in progress	450.95	-	-	-	450.95
Projects temporarily suspended	-	-	-	-	-

**Note - 7A : Capital Work - in - Progress**

**Capital Work -in- Progress ageing schedule as at 31st march, 2021**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 years	more than 3 years	
Projects in progress	156.36	-	-	-	156.36
Projects temporarily suspended	-	-	-	-	-

Note : There is no capital work-in-progress is being overdue or has exceeded its cost compared to its original plan.

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 8 : Other Financial Assets**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- current</b>		
Security deposits	83.60	70.27
Fixed Deposit with Original Maturity of more than 12 months*	7.51	51.33
* The above fixed deposits with banks are held as margin money against bank guarantee amounting to Rs 6,50,000 for current year and Rs. 35,35,000/- for previous year.		
<b>Total (A):</b>	<b>91.11</b>	<b>121.60</b>
<b>Current</b>		
Government Grant Receivable	52.87	73.20
SGST Incentive Receivable	131.52	498.30
Security deposits	-	3.00
Interest accrued but not due	3.06	2.48
<b>Total (B):</b>	<b>187.45</b>	<b>576.98</b>
<b>Total (A) + (B):</b>	<b>278.56</b>	<b>698.58</b>

The company does not have any outstanding dues from directors, officers of the company either severally or jointly with other persons or firms or private companies in which any directors is partner or director or a member

**Note 9 : Other Non - current / Current Assets**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non - Current</b>		
Capital advances (Net)	88.60	1.60
<b>Total (A):</b>	<b>88.60</b>	<b>1.60</b>
<b>Current</b>		
Balance with revenue authorities	18.30	42.36
Cost of Own/Job-Work in Progress	13.25	19.35
Pre-paid expenses	6.58	9.72
Advance to suppliers	1 711.24	0.03
Others recoverables	3.57	4.60
<b>Total (B):</b>	<b>1 752.94</b>	<b>76.06</b>
<b>Total (A) + (B):</b>	<b>1 841.54</b>	<b>77.66</b>

**The amount dues by :**

Directors	Nil	Nil
Officers either severally or jointly with other persons	Nil	Nil
Firms or private companies in which any director is partner or director or a member.	1 709.17	Nil

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 10 : Inventories**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
(As taken, valued and certified by the Management)		
Raw material	728.40	980.83
Work-in-progress	-	536.17
Stores and spares	278.49	128.47
Packing Material	0.80	0.50
<i>Others:</i>		
Scrap	27.00	13.91
<i>Goods In Transit:</i>		
Stores and Spares	-	8.38
<b>Total:</b>	<b>1 034.69</b>	<b>1 668.26</b>

Inventory items have been valued considering the significant accounting policy disclosed in note 4(4.6) to this financial statement.

**Note 11 : Trade Receivables**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Unsecured considered good (Refer Note 12A)		
Low Credit Risk	9.64	468.80
Significant increase in Credit Risk	-	-
Credit Impaired	-	-
Less: Loss Allowance	-	-
	<b>9.64</b>	<b>468.80</b>
Less: Allowance for Expected Credit Losses (Refer note 41)	1.99	1.99
	<b>7.65</b>	<b>466.81</b>
Included in the financial statement as follows:		
Non-current	-	-
Current	7.64	466.81
<b>Total:</b>	<b>7.64</b>	<b>466.81</b>

The amount dues by :

Directors	<b>NIL</b>	NIL
Officers either severally or jointly with other persons	<b>NIL</b>	NIL
Firms or private companies in which any director is partner or director or a member.	<b>NIL</b>	NIL

**Note - 11A : Trade receivables**
**Trade receivable ageing schedule as at 31st March, 2022**

[₹ in Lakhs]

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	more than 3 years	
<b>Undisputed Trade receivables</b>							
considered good	-	8.16		1.43	0.05	-	9.64
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade receivables</b>							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>8.16</b>	-	<b>1.43</b>	<b>0.05</b>	-	<b>9.64</b>
<b>Less: Allowance for Expected Credit Losses</b>							<b>(1.99)</b>
<b>Total</b>							<b>7.65</b>

**Trade receivable ageing schedule as at 31st March, 2021**

[₹ in Lakhs]

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	more than 3 years	
<b>Undisputed Trade receivables</b>							
considered good	-	467.3	1.45	0.05	-	-	468.80
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Disputed Trade receivables</b>							
considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<b>467.30</b>	<b>1.45</b>	<b>0.05</b>	-	-	<b>468.80</b>
<b>Less: Allowance for Expected Credit Losses</b>							<b>(1.99)</b>
<b>Total</b>							<b>466.81</b>



**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 12 : Cash and cash equivalents**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Balance with Bank		
Current accounts	4.83	44.00
Fixed Deposits with maturity less than 3 months	-	16.08
Cash on hand	1.23	1.55
<b>Total:</b>	<b>6.06</b>	<b>61.63</b>

\* The above fixed deposits with banks are held as margin money against bank guarantee amounting to ₹ 14,15,000/-

**Note 13 : Other Bank Balances**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months (*)	17.72	24.98

\* The above fixed deposits with banks are held as margin money against bank guarantee amounting to Rs. 14,50,000/- for current year and Rs 21,00,000/- for previous year

**Note 14 : Current tax assets (Net)**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Advance tax & TDS	368.18	30.87
Less: Provision for taxation	262.91	-
<b>Total:</b>	<b>105.27</b>	<b>30.87</b>

**Note 15 : Asset classified as held for sale**

[₹ in Lakhs]

<b>Particulars</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Assets held for sale	263.50	352.00

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 16 : Equity share capital**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised share capital</b>		
10,00,00,000 Equity Shares of `1/ each (March 31, 2021:	1 000.00	1 000.00
<b>Issued share capital</b>		
3,87,50,000 Equity Shares of `1/ each (March 31, 2021: 3875000 of Rs.10 each)	387.50	387.50
<b>Subscribed and fully paid up</b>		
3,87,50,000 Equity Shares of `1/ each fully paid up ( March 31, 2021: 3875000 of Rs. Calls In Arrears received/ (Pending)	385.41 2.09	387.50 (2.09)
<b>Total:</b>	<b>387.50</b>	<b>385.41</b>

**Note 16.1 Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year**

Particulars	As at March 31, 2022	As at March 31, 2021
At the beginning of the year	38,75,000	38,75,000
<b>Add/(Less) :</b>		
Adjustment for Sub-Division of Equity Shares	3,48,75,000	-
At the end of the year	<b>3,87,50,000</b>	<b>38,75,000</b>

Notes forming part of the Consolidated Financial Statements

Note 17 : Other Equity

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Securities Premium	172.50	170.41
General Reserve	160.21	160.21
Retained Earnings	2 403.86	2 060.27
<b>Total:</b>	<b>2 736.57</b>	<b>2 390.89</b>

Note 17.1 : Other Equity ...Detailed..

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Securities Premium</b>		
Balance as per previous financial statements	170.41	172.50
Add/Less: Calls in Arrears	2.09	2.09
Balance at the end of the year	<b>172.50</b>	<b>170.41</b>
<b>General Reserve</b>		
Balance as per previous financial statements	160.21	160.21
Add: Addition During the year	-	-
Less: Deletion During the year	-	-
Balance at the end of the year	<b>160.21</b>	<b>160.21</b>
<b>Surplus / (Deficit) in Statement of Profit &amp; Loss</b>		
Balance as per previous financial statements	2 060.27	1 470.33
Add : Profit for the year	340.68	589.38
Add / (Less): OCI for the year	2.91	0.56
Balance available for appropriation	<b>2 403.86</b>	<b>2 060.27</b>
<b>Less: Appropriation</b>	-	-
<b>Total:</b>	<b>2 736.57</b>	<b>2 390.89</b>

Note 18 : Non-controlling Interest

[₹ in Lakhs]

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Balance as per previous financial statements</b>	-	-
Add / (Less) : Addition / (Deduction) during the year	-	-
Add / (Less) : Profit / (Loss) for the year	0.18	-
Add / (Less) : Other Comprehensive Income for the year	-	-
<b>Balance as at end of the year</b>	<b>0.18</b>	-

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Consolidated Financial Statements

### Note 19 : Borrowings

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Term Loan from Banks</b>		
HDFC Bank Term Loan - I	525.50	791.59
HDFC Bank Capital Loan - II	161.13	209.00
HDFC Bank Capital Loan - III	103.29	114.79
HDFC Bank Capital Loan - IV	61.08	75.27
HDFC Bank Capital Loan - V	103.73	143.12
HDFC Bank Capital Loan - VI	41.15	-
HDFC Bank Capital Loan - VII	213.84	-
HDFC Bank Loan for ECGL	132.00	-
<b>Vehicle Loan From Banks</b>		
HDFC Bank Limited	12.26	24.60
<b>Unsecured</b>		
Loan from Sunil Agarwal	0.26	-
<b>Total Borrowing:</b>	<b>1 354.24</b>	<b>1 358.37</b>
<b>Less:</b>		
Current maturities of Long term borrowing	480.47	378.93
<b>Total Non Current Borrowing:</b>	<b>873.77</b>	<b>979.44</b>

### Nature of Security:

#### Term Loans and Capital Loan

Primary	Hypothecation of Plant and Machinery on entire Exposure
Collateral	Equitable mortgage of properties as mentioned below properties on entire exposure.

Property Description	Type of Property	Owner
Survey No 337/6 Industrial/ Survey No 337/6 FP No 114 TPS No 10. Near Maniar Trailor, Rakhial, Ahmedabad	Industrial	Raghuvir Synthetics Limited

### Vehicle Loan

HDFC Bank Vehicle Loan

Vehicle Loan from HDFC Bank is secured against the Motor Car

### Terms of Repayment of Loans:

#### Term Loan

HDFC BANK Term Loan - I

Repayable in 72 installments of which 71 installments of ₹ 26.30 Lakhs commencing from February, 2018 and 72nd installment of ₹ 22.77 Lakhs. Last installments due on January, 2024. Rate of Interest 8.30% (Repo Rate+ 4%).

HDFC BANK Term Loan - II

Repayable in 36 installments of ₹ 6.57 Lakhs commencing from July 2022. Last installments due on June, 2024. Rate of Interest 8.25% (Base Rate+ 0.80%).

HDFC Bank Capital Loan - III

Repayable in 60 installments starting from December 2021 of which First installment of ₹ 0.98 Lakhs, second installment of ₹ 1.80 Lakhs and from 3rd installment to 60th installment of ₹ 2.47 Lakhs. Last installments due on November, 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Consolidated Financial Statements

HDFC Bank Capital Loan - IV	Repayable in 60 installments starting from January 2022 of which First installment is of ` 1.46 Lakhs, and from 2nd installment to 60th installment of ` 1.60 Lakhs. Last installments due on December 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).
HDFC Bank Capital Loan - V	Repayable in 60 installments starting from September 2021 of which First to Fourth installment of ` 1.02 Lakhs, Fifth installment of ` 2.74 Lakhs, Sixth and Seventh of ` 3.19 Lakhs, and from 8th to 60th installment of ` 3.51 Lakhs. Last installments due on August, 2025. Rate of Interest 8.30% (Repo Rate+ 4.30%).
HDFC Bank Capital Loan - VI	Repayable in 60 installments starting from January 2022 of Rs. 0.84 Lakhs. Last installments due on December, 2026. Rate of Interest 6.58%.
HDFC Bank Capital Loan - VII	Repayable in 60 installments starting from January 2022 of Rs. 4.37 Lakhs. Last installments due on December, 2026. Rate of Interest 6.58%.
HDFC Bank Loan for ECGL	Repayable in 60 installments starting from April, 2022 of which First installment of ` 0.80 Lakhs, second to sixty installments of ` 4.10 Lakhs. Last installments due on March, 2027. Rate of Interest 7.80%
<b>Vehicle Loan</b> HDFC Bank Limited	Repayable in 36 installments of Rs. 1.16 Lakhs commencing from March 2021. Last installments due on February, 2023. Rate of Interest 8.35% (Base Rate+ 0%).

## Note 20 : Provisions

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current</b>		
Provision for employee benefits		
Gratuity	22.60	37.06
<b>Current</b>		
Provision for employee benefits		
Gratuity	23.51	4.07
Bonus	2.97	2.91
	<b>26.48</b>	<b>6.98</b>
<b>Total:</b>	<b>49.08</b>	<b>44.04</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Consolidated Financial Statements

### Note 21: Income Taxes

#### Note 21.1 : Deferred tax liabilities (net)

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	286.18	295.93
Adjustment for the current year:		
(Charged)/Credited in the Statement of Profit and Loss	(8.40)	(9.96)
Charged / (Credited) through Other Comprehensive Income	1.12	0.21
Closing Balance	<b>271.86</b>	<b>286.18</b>

#### Note 21.2 : Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2022	(Charged)/Credited to profit or loss/OCI	As at March 31, 2021	(Charged)/Credited to profit or loss/OCI	As at March 31, 2020
<b>Deferred tax liabilities</b>					
Property, plant and equipments	302.76	(2.35)	305.11	(1.37)	306.48
Amortised cost adjustment on borrowings	-	(3.57)	3.57	0.73	2.84
	<b>302.76</b>	<b>(5.92)</b>	<b>308.68</b>	<b>(0.64)</b>	<b>309.32</b>
<b>Deferred tax asset</b>					
Provision for gratuity	(13.18)	(0.31)	(12.87)	(2.06)	(10.81)
Lease Liability	(7.55)	(2.45)	(5.10)	(2.52)	(2.58)
Others	(5.64)	(5.64)	-	-	-
Allowance for Expected Credit losses	(0.55)	-	(0.55)	(0.55)	-
Allowance for Capital Advance	(3.98)	-	(3.98)	(3.98)	-
	<b>(30.90)</b>	<b>(8.40)</b>	<b>(22.50)</b>	<b>(9.11)</b>	<b>(13.39)</b>
<b>Net deferred tax liabilities (net)</b>	<b>271.86</b>	<b>(14.32)</b>	<b>286.18</b>	<b>(9.75)</b>	<b>295.93</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 21.3: The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:**

[₹ in Lakhs]

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<b>A. The major components of Income Tax expenses for the year as under:</b>		
<b>(i) Income Tax recognised in the statement of Profit and Loss</b>		
<b>Current Tax</b>		
Expenses for current year	126.00	189.33
<b>Deferred Tax</b>		
Deferred Tax for current year	(15.44)	(9.96)
	<b>110.56</b>	<b>179.37</b>
<b>(ii) Income Tax recognised in the statement of Profit and Loss pertains to</b>		
Expenses for earlier year	(39.67)	- 0)
	<b>(39.67)</b>	<b>-</b>
<b>(iii) Income Tax recognised in the other comprehensive income</b>		
Remeasurement Gains/(Losses) on defined benefit plans	(1.12)	(0.21)
	<b>(1.12)</b>	<b>(0.21)</b>
<b>B. Reconciliation of Effective tax rate</b>		
<b>Profit before taxes from continuing operations</b>	411.26	768.75
Enacted Tax Rate in India	27.82%	27.82%
Expected Income Tax Expenses	114.41	213.87
<b>Adjustment to reconcile expected income tax expense to reported income tax expense</b>		
Others (Net)	(3.85)	(34.50)
Adjusted Income tax expenses for current year	<b>110.56</b>	<b>179.37</b>
Effective tax rates	<b>26.88%</b>	<b>23.33%</b>

## Notes forming part of the Consolidated Financial Statements

## Note 22 : Other non-current / current liabilities

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non- Current</b>		
Deferred Government Grant	2.52	5.76
<b>Current</b>		
Deferred Government Grants	3.24	3.24
Advance from customers	1 976.57	1 109.58
Statutory Liabilities	5.36	28.83
Other Payables	20.67	73.11
	<b>2 005.84</b>	<b>1 214.76</b>
<b>Total:</b>	<b>2 008.36</b>	<b>1 220.52</b>

## Note 23 : Borrowings (Current)

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Current maturities of Long term borrowing (Refer note 19)	480.47	378.93
Borrowings payable on Demand	2.13	-
<b>Total Current Borrowing:</b>	<b>482.60</b>	<b>378.93</b>

## Note 24 : Trade Payables

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Current (Refer Note 24A)</b>		
Total outstanding dues of micro and small enterprises (refer note 45)	-	-
Total outstanding dues of creditors other than micro and small enterprises	131.22	877.61
<b>Total:</b>	<b>131.22</b>	<b>877.61</b>



**Note - 24A : Trade payables****Trade payables ageing schedule as at 31st March, 2022**

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	more than 3 years	
MSME	-	-	-	-	-	-	-
Others	4.00	-	124.78	0.46	1.98	-	131.22
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>4.00</b>	<b>-</b>	<b>124.78</b>	<b>0.46</b>	<b>1.98</b>	<b>-</b>	<b>131.22</b>

**Trade payables ageing schedule as at 31st March, 2021**

[₹ in Lakhs]

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 Years	2-3 years	more than 3 years	
MSME	-	-	-	-	-	-	-
Others	39.58	-	836.09	1.86	0.08	-	877.61
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
	<b>39.58</b>	<b>-</b>	<b>836.09</b>	<b>1.86</b>	<b>0.08</b>	<b>-</b>	<b>877.61</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 25 : Other Financial Liabilities**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Fair Value of Derivatives not designated as hedge	44.62	30.31
<b>Total:</b>	<b>44.62</b>	<b>30.31</b>

**Note 26 : Current tax liabilities (Net)**

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax	-	327.15
Less : Advance Tax	-	270.42
<b>Total:</b>	<b>-</b>	<b>56.73</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 27 : Revenue from Operations**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Sale of Products</b>		
Manufactured Goods		
Local	13 980.97	15 014.10
Traded Goods		
Local	4 926.25	66.55
<b>Sale of services</b>		
Processing Charges Received	2 531.83	2 211.80
<b>Other Operating Income</b>		
Export Benefits	-	0.60
Fants and Rags	109.82	127.48
<b>Total :</b>	<b>21 548.87</b>	<b>17 420.53</b>

**Note 27.1 : Break up of sales of product**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Manufactured</b>		
Made-ups	2 773.12	7 769.06
Fabrics	11 207.85	2 448.57
<b>Traded Goods:</b>		
Grey Cloth	4 926.25	-
<b>Total :</b>	<b>18 907.22</b>	<b>10 217.63</b>

**Note 27.2 : Break up of sales of services**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Jobwork Charges- Fabrics	2 531.83	2 211.80
<b>Total :</b>	<b>2 531.83</b>	<b>2 211.80</b>

**Note 27.3 : Break up of Other Operating Income**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Export benefits (Net)	-	0.59
Fants and Rags	109.82	127.48
<b>Total :</b>	<b>109.82</b>	<b>128.07</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 28 : Other Income**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Interest income</b>		
From Banks	2.32	6.13
From Others	7.62	3.05
SGST Incentive Income	193.56	502.49
Deferment of Capital Subsidy	3.24	3.24
Foreign Exchange Gain/(Loss) on Swaping of Borrowing	35.39	1.65
Profit on sale of PPE	29.36	-
<b>Other Non Operating Income</b>		
Sales of Scrap	35.09	29.33
Miscellaneous Income	2.03	4.01
	<b>37.12</b>	<b>33.34</b>
<b>Total:</b>	<b>308.61</b>	<b>549.90</b>

**Note 29 : Cost of Materials Consumed**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Raw Materials	11 029.84	10 816.14
Colours & Chemicals	1 304.42	1 699.03
<b>Total:</b>	<b>12 334.26</b>	<b>12 515.17</b>

**Note 29.1 : Breakup of Raw Materials consumed**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Grey cloth	10 976.53	10 785.63
Fabrics	53.31	30.51
	<b>11 029.84</b>	<b>10 816.14</b>

**Note 29.2 : Breakup of Colour Chemical consumed**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Colour Chemical	1 304.42	1 699.03
	<b>1 304.42</b>	<b>1 699.03</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 30 : Changes in inventories**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Closing Stock</b>		
Work In Process	-	536.17
Stock of Scrap/ Waste materials	27.00	13.91
Stock of Grey (Raw Material)	728.40	-
<b>Opening Stock</b>		
Work In Process	536.17	1 037.72
Stock of Scrap/ Waste materials	13.91	6.00
<b>(Increase) / Decrease in stocks:</b>	<b>(205.32)</b>	<b>493.64</b>

**Note 31 : Operating Expenses**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Power and Fuel</b>		
Electric Power	291.78	346.91
Fuel	0.32	0.35
Coal and Wooden Dust	792.45	575.05
	<b>1 084.55</b>	<b>922.31</b>
<b>Freight and Octroi</b>		
Stores	4.07	7.35
Customs duty	-	-
Grey Cloth	28.56	24.54
	<b>32.63</b>	<b>31.89</b>
Packing Material	152.18	367.24
Jobwork Charges Paid	645.32	1 035.45
Stores, Spares & Other consumables	284.97	241.34
Electrical Expenses	20.09	14.64
Insurance charges	8.56	12.45
<b>Cost of Work In Progress (Job)</b>		
Opening Balance	19.35	41.26
Less: Closing Balance	13.25	19.35
	<b>6.10</b>	<b>21.91</b>
<b>Total:</b>	<b>2 234.40</b>	<b>2 647.23</b>

**Note 32 : Employee benefits expense**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Salarv. Waages and Bonus	561.06	548.84
Contribution to Provident and other funds	14.29	21.96
Staff Welfare and Training Expense	5.95	4.63
<b>Total:</b>	<b>581.30</b>	<b>575.43</b>

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of the Consolidated Financial Statements**

**Note 33 : Finance Cost**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Interest on loan	34.04	22.36
Unwinding Interest on Lease Liability	32.10	32.36
<b>Other Finance Cost</b>		
Bank charges	0.58	4.65
Bank Guarantee Commission	1.12	0.48
(Gain)/Loss on Derivative Contracts	44.62	30.31
<b>Total:</b>	<b>112.46</b>	<b>90.16</b>

**Note 34 : Depreciation and Amortization**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
Depreciation on Property, Plant and Equipments	478.16	429.86
Depreciation on Right To Use Assets	11.77	11.77
<b>Total:</b>	<b>489.93</b>	<b>441.63</b>

**Note 35 : Other expenses**

[ ` in Lakhs]

Particulars	2021-2022	2020-2021
<b>Repairs and Maintenance</b>		
Plant and Machinery	79.96	98.82
Building	1.46	13.56
Others	13.02	16.46
	<b>94.44</b>	<b>128.84</b>
Donation	36.61	38.00
Fees and Legal Expenses	54.95	53.40
Selling and Distribution Expenses	61.04	53.99
<b>Rent, Rates &amp; Taxes</b>		
Rent	2.73	2.54
Rates & Taxes	3.92	4.90
	<b>6.65</b>	<b>7.44</b>
Auditors Remuneration	3.25	3.00
Miscellaneous Expenses	31.84	48.32
Loss on sale of Machinery	3.75	1.80
Allowance for credit losses	-	0.30
Allowance for Capital Advances	-	14.30
<b>Total:</b>	<b>292.53</b>	<b>349.39</b>
Auditor's Remuneration is made of Statutory Audit Fees	3.00	2.00
	<b>3.00</b>	<b>2.00</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of the Consolidated Financial Statements

### **Note 35(B) : Corporate Social Responsibility**

(a) Gross amount required to be spent by the Company during the year

Particulars	2021-2022	2020-2021
Amount required to be spent by the Company during the year	10.52	5.88
Amount of expenditure incurred	35.50	38.00
Shortfall at the end of the year	-	-
Total of Previous years shortfall	-	-
<b>Details of Related Party Transactions</b>		
<b>(a) Contribution to a trust controlled by the Company in relation to CSR expenditure</b>		
Donation to Raghuvir Research Foundation Trust	35.5	38.00
<b>Reason for Shortfall</b>	NA	NA

Donation to Trust which carries CSR activities

Donation to Trust which carries CSR activities

### **Nature of CSR Activities**

### **Note 36 : Earning per Share**

Particulars	2021-2022	2020-2021
Profit attributable to Equity shareholders ( ` )	340.37	589.38
Number of equity shares	38,750,000.00	38,750,000.00
Weighted Average number of Equity Shares	38,750,000.00	38,750,000.00
Basic earning per Share ( ` )	<b>0.88</b>	<b>1.53</b>
Diluted earning per Share ( ` )	<b>0.88</b>	<b>1.53</b>

Note: The Company's AGM was held on 15th September, 2021, in which resolution had been passed to split equity share from Rs. 10 to Rs.1 each. Record date for the transaction was 28th October, 2021. In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended March 31, 2022 and March 31, 2021 has been arrived at after giving effect to the above sub-

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

### Note 37 : Contingent Liabilities and Capital commitments

[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Contingent Liabilities</b>		
- Claims not acknowledged as debts – ESI	--	4.98
[See note no. 35 (a)]	<b>25.94</b>	25.94
- Claims Related to employees pending with Hon'ble Supreme Court of India	-	3.00
- Custom Duty on Procurement of Machinery under the scheme of EPCG	<b>177.17</b>	338.08
- Demand under Textile committee (Cess) Rules 1975	<b>12.34</b>	12.34
<b>Capital Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account and not provided for	<b>2608.99</b>	15.65
- Other commitments	NIL	NIL

- (a) The Group has received order u/s 45-A of the ESI Act 1948 for the year 2002 to 2005 raising demand of ₹ 25.35 Lacs. The Group has disputed the demand raised by the corporation by filing a case in the court of Kamdar Rajya Bima Adalat, Ahmedabad and Bank Guarantee of ₹ 13.00 lakhs has been given under the direction of E.S.I Court Ahmedabad. Further in the earlier financial year ESI Court has issued order for payment of ₹ 0.59 Lacs in relation to contractor's liability and the same has been deposited by the Group and shown as deposit as on March 31, 2022.

### Note 38: Employee Benefits

#### Note 38.1 Defined contribution plan

The Group has defined contribution plan in form of Provident Fund & Pension Scheme and Employee State Insurance Scheme for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The total expense recognised in the Statement of profit and loss under employee benefit expenses in respect of such schemes are given below:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Contribution to Provident Fund and Pension Scheme (included under contribution to provident and other funds)	<b>11.31</b>	18.72
Contribution to Employee State Insurance Scheme (Included in contribution to Provident and other funds)	<b>2.91</b>	3.24

#### Note 38.2 Defined benefit plan

##### (a) Gratuity

The Group offers gratuity plan for its qualified employees which is payable as per the requirements of Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.



# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

### (b) Defined Benefit Plan

The principal assumptions used for the purposes of the actuarial valuations were as follows.

#### Gratuity

Particulars	Valuation at	
	As at March 31, 2022	As at March 31, 2021
Discount rate	6.10%	5.50%
Expected rate(s) of salary increase	5.00%	5.00%

The following table sets out the status of the amounts recognized in the balance sheet & movements in the net defined benefit obligation as at March 31, 2021.

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
	Gratuity (Unfunded)	Gratuity (Unfunded)
<b>Changes in the present value of obligation</b>		
1. Present value of obligation (Opening)	41.13	33.96
2. Interest cost	2.15	1.87
3. Past service cost adjustments/Prior year Charges	--	--
4. Current service cost	6.86	6.07
5. Curtailment Cost / (Gain)	--	--
6. Settlement Cost / (Gain)	--	--
7. Benefits paid	--	--
8. Actuarial (Gain) / Loss arising from change in financial assumptions	(1.07)	0.43
9. Actuarial (Gain) / Loss arising from change in demographic assumptions	--	--
10. Actuarial (Gain) / Loss arising from change on account of experience changes	(2.96)	(1.20)
11. Present value of obligation (Closing)	46.11	41.13
- <b>Current</b>	23.51	4.07
- <b>Non current</b>	22.60	37.06

Amount recognized in statement of profit and loss in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
Current Service Cost	6.86	6.07
Past Service Cost	--	--
Adjustment to opening fund	--	--
Net interest Cost	2.15	1.87
(Gains)/Loss on Settlement	--	--
<b>Total Expenses recognized in the Statement of Profit and Loss #</b>	<b>9.01</b>	<b>7.94</b>
#Included in 'Salary and Wages' under 'Employee benefits expense'		

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

Amount recognized in Other Comprehensive Income (OCI) in respect of defined benefit plan are as follows:

[₹ in Lakhs]

Particulars	2021-2022	2020-2021
<b>Re-measurements during the year due to</b>		
Changes in financial assumptions	(1.07)	0.43
Changes in demographic assumptions		--
Experience adjustments	(2.96)	(1.20)
Return on plan assets excluding amounts included in interest income		--
<b>Amount recognized in OCI during the year</b>	<b>(4.03)</b>	<b>(0.77)</b>

### (c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

#### Gratuity

#### Impact on defined benefit obligation

Particulars	Change in Assumption			Increase in Assumptions			Decrease in Assumptions	
	March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021		March 31, 2022	March 31, 2021
Discount rate	0.50%	0.50%	Increased by	-1.82%	-2.04%	Decreased by	1.93%	2.15%
Salary growth rate	0.50%	0.50%	Increased by	1.72%	1.71 %		-1.65%	-1.65%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

### (d) Defined benefit liability and employer contribution

Expected contribution to the post -employment benefit plan (Gratuity) for the year ending March 31, 2022 is

The weighted average duration of the defined benefit obligation is 4 years.

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

The expected maturity analysis of undiscounted post -employment benefit plan (gratuity) is as follows:

### Gratuity

[₹ in Lakhs]

Particulars	As at March 31, 2022		As at March 31, 2021	
	Cash Flow (₹)	(%)	Cash Flow (₹)	(%)
1 <sup>st</sup> following year	23.51	38.7%	4.07	7.6%
2 <sup>nd</sup> following year	5.37	8.8%	20.26	37.9%
3 <sup>rd</sup> following year	2.08	3.4%	4.52	8.5%
4 <sup>th</sup> following year	5.52	9.1%	1.77	3.3%
5 <sup>th</sup> following year	2.27	3.7%	5.09	9.5%
Sum of year 6 to 10 <sup>th</sup>	8.50	14.0%	6.41	12.0%

### Note 39: Segment Information

The operating segment of the Group is identified to be "**Manufacturing and Processing of Fabrics**", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall Group level as one segment and hence, does not have any disclosures to be made under Ind AS 108 Operating Segments.

### Note 40: Related Party Disclosure

#### Note 40.1: Related Party Disclosures for the year ended March 31, 2022

##### (a) Details of Related Parties

Sr. No.	Name of Related Parties	Description of Relationship
1 2 3	Sunil R. Agarwal Yash S. Agarwal Hardik S. Agarwal	Key Management Personnel
4 5 6 7 8 9	Raghuvir Exim Ltd. The Sagar Textiles Mills Pvt. Ltd. Raghuvir Research Foundation Trust HYS Developers LLP HYS Lifecare LLP HYS Industries Pvt Ltd	Enterprise over which key management personnel exercise significant influence by controlling interest.
10 11 12	Raghukaushal Textile Pvt. Ltd. Raghuvir Life Style Pvt. Ltd. RSL Dyecot Pvt Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of Consolidated financial statement**

- (b) Details of transactions with related parties for the year ended March 31, 2022 in the ordinary course of business:

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP / Relatives	Subsidiary	Enterprise over which key management personnel exercise significant influence by controlling interest	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	334.62	--	--	--	334.62
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 -- --	-- -- --	-- 2.03 2.54	-- -- --	33.05 2.03 2.54
3	<b>Sales Processing Charges, Freight and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd.	-- --	--	-- 171.04	78.85 --	78.85 171.04
4	<b>Finished Goods sales/Grey Sale</b> - HYS Developers LLP - Raghuvir Exim Ltd. - The Sagar Textile s Mills Pvt Ltd - Raghuvir Lifestyle Pvt Ltd	-- -- --	-- --	12.55 14,398.66 1.97	-- -- -- 0.74	12.55 14,398.66 1.97 0.74
5	<b>Purchase</b> - HYS Developers LLP - The Sagar Textiles Mills Pvt. Ltd. - Raghuvir Exim Ltd. - HYS Industries PVT LTD - Raghukaushal Textile Pvt Ltd	-- -- -- --	-- -- --	4 692.46 6 428.90 248.44 4 288.16 --	-- -- -- -- 2.88	4 692.46 6 428.90 248.44 4 288.16 2.88
6	<b>Donation</b> - Raghuvir Research Foundation	--	--	35.50	--	35.50

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of Consolidated financial statement**

7	<b>Reimbursement of Expenses</b> - Raghuvir Exim Limited	--		28.08		28.08
---	---	----	--	-------	--	-------

(c) Amount due to / from related parties as at March 31, 2022

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP / Relatives	Subsidiary	Enterprise over which key management personnel exercise significant influence by controlling interest	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Due to Company As Trade Receivables/ Advance Given</b> - Raghuvir Exim Ltd - HYS Developers LLP - The Sagar Textile Mill Pvt. Ltd. - HYS Industries Pvt Ltd	 -- -- -- --		 9.45 1 268.50 64.59 440.67		 9.45 1 268.50 64.59 440.67
2	<b>Due by Company As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. <b>As Advance from Customer/Trade Payable</b> - Raghuvir Exim Ltd. <b>As Remuneration</b> - Sunil R. Agarwal	 2.97 -- -- -- --		 -- 0.18 0.69 1 962.72		 2.97 0.18 0.69 1962.72 --

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

### Note 40.2: Related Party Disclosures for the year ended March 31, 2021

(b) Details of Related Parties

Sr. No.	Name of Related Parties	Description of Relationship
1 2 3	Sunil R. Agarwal Yash S. Agarwal Hardik S. Agarwal	Key Management Personnel
4 5 6 7 8	Raghuvir Exim Ltd. The Sagar Textiles Mills Pvt. Ltd. Raghuvir Research Foundation Trust HYS Developers LLP HYS Lifecare LLP	Enterprise over which key management personnel exercise significant influence by controlling interest.
9 10 11	Raghukaushal Textile Pvt. Ltd. Raghuvir Life Style Pvt. Ltd. RSL Dyecot Pvt Ltd.	Enterprise over which relatives of key management personnel exercise significant influence.

(b) Details of transactions with related parties for the year ended March 31, 2021 in the ordinary course of business:

[₹ in Lakhs]

Sr. No.	Nature of Relationship / Transaction	KMP & Relatives	Enterprise over which key management personnel exercise significant influence by controlling interest.	Enterprise over which relatives of key management personnel exercise significant influence.	Total
1	<b>Managerial Remuneration</b> - Sunil R. Agarwal	356.40	--		356.40
2	<b>Rent Expense</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd.	33.05 -- --	-- 2.03 2.54		33.05 2.03 2.54
3	<b>Sales Processing Charges, Freight and Other Income</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd.	-- --		321.95 76.68	321.95 76.68
4	<b>Finished Goods sales</b> - HYS Developers LLP - Raghuvir Exim	-- --	5.42 13922.96		5.42 13922.96

**RAGHUVIR SYNTHETICS LIMITED**

**Notes forming part of Consolidated financial statement**

	Ltd. - Raghuvir Lifestyle Pvt Ltd	--		<b>40.02</b>	<b>40.02</b>
<b>5</b>	<b>Purchase</b> - HYS Developers LLP - The Sagar Textiles Mills Pvt. Ltd. - Raghuvir Exim Ltd.	-- -- --	<b>7785.73</b> <b>3219.20</b> <b>761.53</b>		<b>7785.73</b> <b>3219.20</b> <b>761.53</b>
<b>6</b>	<b>Donation</b> - Raghuvir Research Foundation	--	<b>38.00</b>		<b>38.00</b>
<b>7</b>	<b>Job Charges</b> - HYS Developers LLP	--	<b>6.69</b>		<b>6.69</b>

(c) Amount due to / from related parties as at March 31, 2021

[₹ in Lakhs]

<b>Sr. No</b>	<b>Nature of Relationship / Transaction</b>	<b>KMP &amp; Relatives</b>	<b>Enterprise over which key management personnel exercise significant influence by controlling interest.</b>	<b>Enterprise over which relatives of key management personnel exercise significant influence.</b>	<b>Total</b>
<b>1</b>	<b>Due to Company As Trade Receivables/ Advance Given</b> - Raghukaushal Textile Pvt. Ltd. - Raghuvir Exim Ltd - Raghuvir Lifestyle Pvt Ltd	-- -- --	 <b>0.01</b>	<b>1.43</b>  <b>24.13</b>	<b>1.43</b> <b>0.01</b> <b>24.13</b>
<b>2</b>	<b>Due by Company As Expenses</b> - Sunil R. Agarwal - Raghuvir Exim Ltd. - The Sagar Textile Mill Pvt. Ltd. - HYS Developers LLP	<b>3.04</b> -- -- --	-- <b>0.37</b> <b>0.22</b> <b>93.53</b>		<b>3.04</b> <b>0.37</b> <b>0.22</b> <b>93.53</b>

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

	<b>As Advance from Customer/Trade Payable</b>				
	- Raghuvir Exim Ltd.	--	1096.11		1096.11
	- HYS Developers LLP	--			
	- The Sagar Textile Mill Pvt. Ltd.	--	348.43		348.43
	<b>As Remuneration</b>				
	- Sunil R. Agarwal	9.40	--		9.40

**Note:** The remuneration to the key managerial personnel does not include the provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole.

### Note 41: Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

[₹ in Lakhs]		
Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity share holders of the company	3124.25	2 776.30
As percentage of total capital	69.83%	68.16%
Current loans and borrowings	482.60	378.93
Non-current loans and borrowings	873.51	979.44
Total loans and borrowings	1356.11	1 358.37
Cash and cash equivalents	6.06	61.63
Net loans & borrowings	1350.05	1 296.74
As a percentage of total capital	30.17%	31.84%
<b>Total capital (loans and borrowings and equity)</b>	<b>4474.30</b>	<b>4073.04</b>



# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

### Note 42: Disclosure on Financial Instruments

#### A. Financial instruments by category

[₹ in Lakhs]

Particulars	31 <sup>st</sup> March, 2022			31 <sup>st</sup> March, 2021		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
<b>Financial Assets</b>						
Trade & other receivables	7.65	--	--	466.81	--	--
Cash & cash equivalents	6.06	--	--	61.63	--	--
Other bank balances	17.72	--	--	24.98	--	--
Other financial assets	278.56	--	--	698.58	--	--
<b>Total Financial Assets</b>	<b>309.99</b>	<b>--</b>	<b>--</b>	<b>1252.00</b>	<b>--</b>	<b>--</b>
<b>Financial Liabilities</b>						
Borrowings	1356.37		--	1358.37	--	--
Lease Liabilities	333.08		--	336.08	--	--
Trade payables	131.22		--	877.61	--	--
Other financial liabilities		44.62	--	--	30.31	--
<b>Total Financial Liabilities</b>	<b>1820.67</b>	<b>44.62</b>	<b>--</b>	<b>2572.06</b>	<b>30.31</b>	<b>--</b>

#### Fair value hierarchy

The following section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value through profit or loss. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial investments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### B. Fair value hierarchy for assets

##### Financial assets measured at fair value at March 31, 2022

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Investments	--	--	--	--

##### Financial assets measured at fair value at March 31, 2021

[₹ in Lakhs]

Particulars	Level 1	Level 2	Level 3	Total

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

<b>Financial Assets</b>				
Investments	--	--	--	--

#### Notes:

**Level 1** hierarchy includes financial instruments measured using quoted prices (unadjusted) in active market for identical assets that the entity can access at the measurement date. This represents mutual funds that have price quoted by the respective mutual fund houses and are valued using the closing Net asset value (NAV).

**Level 2** hierarchy includes the fair value of financial instruments measured using quoted prices for identical or similar assets in markets that are not active.

**Level 3** if one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted compound instruments.

There are no transfers between any of these levels during the year. The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

#### C. Fair value of financial assets and liabilities measured at amortized cost

The Management has assessed that fair value of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets and trade payables approximate their carrying amounts largely due to their short-term nature. Difference between carrying amount of Bank deposits, other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### D. Derivative Financial Instrument

The Group takes various types of derivative instruments. The category-wise outstanding position of derivative instruments is as under:-

Nature	Particulars of Derivative		Purpose
	As at 31st March, 2022	As at 31st March, 2021	
INR - Foreign Currency Swap	7.84 USD	11.39 USD	Hedging of equivalent INR borrowing to mitigate higher interest rate of INR borrowings as against the foreign currency loans with possible risk of principal currency losses

[in Lakhs]

#### Note 43: Financial risk management

The Group's risk management policies are established to identify and analyses the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

The audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of funds to bank deposits, Liquid funds and Regular monitoring of credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus cash, committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognized financial assets and liabilities not denominated in Indian rupee (₹)	Cash flow forecasting Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with option of taking Forward Foreign exchange contracts if deemed necessary.

#### (a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### Allowance for Doubtful Debts

The Group has provided allowance for doubtful debts based on lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

[₹ in Lakhs]		
Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance as per last financial year</b>	<b>1.99</b>	1.70
<b>Add: Allowance for the year</b>	--	0.30
<b>Less: Write off of bad debts and other adjustment (net of recovery)</b>	--	--
<b>Balance at the end of the year</b>	<b>1.99</b>	1.99

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

#### Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Group generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Group considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

#### (b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

#### Financing arrangements

The working capital position of the Group is given below:

[₹ in Lakhs]		
Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Cash and cash equivalents	6.06	61.63

#### Liquidity Table

The Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

#### As at March 31, 2022

[₹ in Lakhs]			
Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings	--	873.77	--
Lease Liabilities		21.71	308.10
	--	895.48	308.10
Current financial liabilities			
Borrowings from Banks	482.60	--	--
Lease Liabilities	3.27	--	--
Trade payables	131.22	--	--
Fair Value of Derivatives not designated as hedge	44.62		
	661.71	--	--
Total financial liabilities	661.71	895.48	308.10

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

As at March 31, 2021

[₹ in Lakhs]

Financial Liabilities	Less than 1 year	1-5 years	5 years and above
Non-current financial liabilities			
Borrowings <sup>^</sup>	--	986.48	--
Lease Liabilities	--	19.82	313.27
	--	1006.30	313.27
Current financial liabilities			
Borrowings from Banks	378.93	--	--
Lease Liabilities	2.99		
Trade payables	877.61	--	--
Fair Value of Derivatives not designated as hedge	30.31		
	1280.84	--	--
Total financial liabilities	1 289.84	1006.30	313.27

<sup>^</sup> Borrowings are disclosed net of processing charges.

### (c) Market Risk

Market risk is the risk arising from changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of the investments. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments

Most of the Group's borrowings are on a floating rate of interest. The Group has exposure to interest rate risk, arising principally on changes in Repo Rate (except for vehicle loan and GECL loan). The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations from internal accruals.

The exposures of the Group's financial assets / liabilities at the end of the reporting period are as follows:  
[₹ in Lakhs]

Particulars	As at March 31, 2022	As at March 31, 2021
Floating rate borrowings	1356.11	1358.37
	1356.11	1358.37

Notes forming part of Consolidated financial statement

**Interest rate risk sensitivity:**

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rate had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit.

[₹ in Lakhs]

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Impact on profit – increase in 50 basis points	6.51	1.41
Impact on profit – decrease in 50 basis points	(6.51)	(1.41)

**Note 44:**

At the behest of Hon'ble Gujarat High Court upon a suo-moto writ petition, Ahmedabad Municipal Corporation (AMC) has undertaken a drive to disconnect effluent discharge connection of all units discharging water effluent in the sewage lines of AMC. Accordingly, the treated effluent discharge connection of the Company was disconnected on 30/11/2021. In the city of Ahmedabad, more than 400 connections were snapped by AMC by December 2021.

As result of this, the manufacturing operations of the Company have come to a standstill. The matter was disclosed to the stock exchanges on 13/12/2021 in terms of SEBI (LoDR) Regulations. It would be relevant to note that the Company has the requisite approvals from the competent authorities to discharge industrial effluents after treating the same in its inhouse effluent treatment plant. The Company has already filed a civil application in the matter against this disconnection. Hearing on application has been completed and order of the Hon'ble Gujarat High Court is awaited. It is not possible to project any timeline for resolution of the matter.

**Note 45:**

**(a) Due to Micro, Small and Medium Enterprise**

[₹ in Lakhs]

Sr. No.	Particulars	2021-2022	2020-2021
1	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	NIL	NIL
2	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	NIL	NIL
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	NIL	NIL
4	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	NIL	NIL

The above mentioned information has been compiled to the extent of responses received by the company from its suppliers with regard to their registration under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

- (b) The Group has circulated letters of Balance Confirmation to Sundry Debtors, Sundry Creditors and the parties to whom loans and advances have been granted. Confirmations were received in some cases.

#### Note 46: Un-hedged Foreign Currency Exposure

The Group does not enter into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments.

#### Note 47: Leases

Factory Building and Godown have been taken on lease by the Group. The terms of lease rent are for the period 30 years. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

#### Future minimum lease payments under leases on an undiscounted basis

[₹ in Lakhs]

Particulars	31st March, 2022	31st March, 2021
Within one year	35.08	35.08
After one year but not later than five years	175.42	182.84
More than five years	701.70	736.78
<b>Total</b>	<b>912.20</b>	<b>954.70</b>

#### NOTE 48: Ratio

Sr. No	Ratio	Numerator	Denominator	31st March, 2022	31st March, 2021	% Variance	Remarks
1	Current Ratio (In times)	Total Current Asset	Total Current Liabilities	1.16	1.13	2.22%	
2	Debt-Equity Ratio (In times)	Total Debt (Long term borrowings , Short Term Borrowings and Lease liabilities (Current & Non-Current))	Shareholder's Equity	0.54	0.61	(11.39%)	
3	Debt Service Coverage Ratio (In times)	Earning for Debt Service (Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments)	Debt service (Interest and lease payments + Principal repayments)	1.80	3.23	(44.42%)	Note 1
4	Return on Equity Ratio (in %)	Profit for the year	Average Shareholders' equity	11.54%	23.75%	(51.43%)	Note 2
5	Inventory turnover ratio (In times)	Sales	Average inventory	15.86	9.24	71.65%	Note 3

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

6	Trade Receivables turnover ratio (In times)	Net Sales	Average account receivables	90.37	37.18	143.06%	Note 4
7	Trade Payable turnover ratio (In times)	Cost of Material Consumed (including purchase of stock in trade) + Other Expenses	Average account payables	40.58	14.62	177.56%	Note 5
8	Net capital turnover ratio (In times)	Net Sales	Net working capital	51.35	51.27	0.16%	
9	Net profit ratio (in %)	Net profit after taxes	Net Sales	2.00%	3.00%	(33.33%)	Note 6
10	Return on Capital employed (in %)	Earnings before Interest and taxes	Capital employed (Net worth + Lease liabilities + Deferred tax liabilities)	11.00%	19.00%	(42.11%)	Note 7

Note:

- 1 Debt Service Coverage ratio is decreased as earnings for debt services have been reduced during the current year as Group's operations and profitability have been effected due to shut down of manufacturing operations for last few months.
- 2 Return on Equity ratio is decreased as profit for the year is decreased compare to previous year, due to shut down of manufacturing operation for last few months.
- 3 Increase in ratio due to decrease in closing inventories compare to previous year.
- 4 Increase due to increase in sales and better management of its collection as compared to previous year.
- 5 Increase in ratio due to increased cost of good purchased and payment made to creditors at the year end.
- 6 Net Profit Ratio is reduced in current year compare to previous year as margin for sale in current year reduced compare to previous year.
- 7 Return on capital employed ratio is being decreased as earnings before interest and taxes is being decreased as compare to previous year due to shut down of manufacturing operations for last few months.
- 8 The Group does not have any investments, hence ratio of return on Capital Employed is not applicable.

#### **NOTE 49 :Details Of Benami Property Held**

The Group does not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. Hence any proceeding has not been initiated or pending against the group companies for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

#### **NOTE 50 :Relationship With Struck Off Companies**

The Group does not have transactions with companies struck off under section 248 of the companies act, 2013 or section 560 of the companies act, 1956.

#### **NOTE 51 :Revaluation Of Property, Plant And Equipment And Intangible Assets**

The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) and Intangible assets.



**Notes forming part of Consolidated financial statement**

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**NOTE 52 :Utilisation Of Borrowed Funds And Share Premium**

- (a) During the year, no funds have been advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) by the company to any other persons or entities, including foreign entities with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) During the year, the company has not received any fund from any persons or entities, including foreign entities (Funding Parties) with the understanding whether recorded in writing or otherwise that the company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**NOTE 53: Undisclosed Income**

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961).

**NOTE 54: Details Of Crypto Currency Or Virtual Currency**

The Group has not traded or invested in crypto currency or virtual currency during the financial year.

**NOTE 55: Registration Of Charges Or Satisfaction With Registrar Of Companies**

The Group does not have any charges or satisfaction, which is yet to be registered with ROC beyond the statutory period.

**NOTE 56: Compliance With Number Of Layers Of Companies**

The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies ( Restriction on number of Layers) Rules, 2017.

**NOTE 57: Borrowings Obtained On The Basis Of Security Of Current Assets**

The Group does not have any sanctioned working capital limits from banks on the basis of security of current assets.

**NOTE 58: Wilful Defaulter**

The Group has not been declared Wilful Defaulter by any bank or financial institution or any other lender.

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

**Note 59: Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.**

The Company have not given any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

### **Note 60: Approved scheme of arrangements**

The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

### **Note 61: Code on Social Security, 2020**

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

### **Note 62 :Disclosure of significant interest in subsidiaries and joint ventures as per Ind AS 27 para 17.**

Name of Entities Relationship Place of	Name of Entities Relationship Place of	Name of Entities Relationship Place of	Name of Entities Relationship Place of
Dreamsoft Bedsheets Private Limited	Subsidiary India	51%	NA

(Dreamsoft Bedsheets Private Limited has been incorporated on 8<sup>th</sup> December, 2021)

# RAGHUVIR SYNTHETICS LIMITED

## Notes forming part of Consolidated financial statement

**Note 63: Additional information of net assets and share in profit or loss contributed by various entities as recognized under Schedule III of the Companies Act, 2013**

Name of the entity in the Group	Net Assets i.e., total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount in Lakhs	As % of Consolidated profit or loss	Amount in Lakhs	As % of consolidated other comprehensive income	Amount in Lakhs	As % of total comprehensive income	Amount in Lakhs
<b>Parent Company</b>								
Raghuvir Synthetics Limited	99.98%	3124.38	100.28%	341.00	100.00%	2.91	100.28%	343.90
<b>Subsidiary Company</b>								
Dreamsoft Bedsheets Private Limited	0.01%	0.37	-0.19%	(0.63)	0.00%	-	-0.19%	(0.63)
Non-controlling interests	0.01%	0.18	-0.09%	(0.31)	0.00%	-	-0.09%	(0.31)
<b>Sub Total</b>	<b>100.00%</b>	<b>3124.93</b>	<b>100.00%</b>	<b>340.05</b>	<b>100.00%</b>	<b>2.91</b>	<b>100.00%</b>	<b>342.96</b>
<b>CFS Adjustments and Eliminations</b>		<b>(0.68)</b>		<b>0.31</b>				<b>0.31</b>
<b>Total</b>	<b>100.00%</b>	<b>3124.25</b>	<b>100.00%</b>	<b>340.37</b>	<b>100.00%</b>	<b>2.91</b>	<b>100.00%</b>	<b>343.28</b>

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary company/Associate company/Joint Venture

Name of Subsidiary	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments (except in Subsidiaries)	Turnover	(Loss) Before Taxation	Provision for Taxation	Loss after Taxation	Other Comprehensive Income	Total Comprehensive Income	% of Share Holding
Dreamsoft Bedsheets Private Limited	1.00	(0.63)	1.07	0.70	-	-	(0.63)	-	(0.63)	-	(0.63)	51%

## RAGHUVIR SYNTHETICS LIMITED

### Notes forming part of Consolidated financial statement

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#### Note 64: Statement of Management

- (a) The non current financial assets, current financial assets and other current assets are good and recoverable and are approximately of the values, if realized in the ordinary courses of business unless and to the extent stated otherwise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit and Loss, cash flow statement and change in equity read together with Notes to the accounts thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Group as at the end of the year and financial performance of the Group for the year under review.

#### Note 65:

The figures for the previous year have been regrouped / reclassified, wherever necessary, to make them comparable with the figures for the current year.

#### FOR ASHOK K. BHATT & CO.

[Firm Registration No. 100657W]  
*Chartered Accountants*

#### FOR AND ON BEHALF OF BOARD

**ASHOK K.BHATT**

*Proprietor*  
Mem. No. 36439

**SUNIL R. AGARWAL**

*Chairman & Managing Director*  
DIN: 00265303

**YASH S. AGARWAL**

*Joint Managing Director*  
DIN : 02170408

**SWATI JAIN**

*Company Secretary*

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2022

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2022

## RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Regd. Office: Rakhial Road, Rakhial, Ahmedabad-380 023 | Contact: 079-22910963-22911015-22911902

E-mail: [info@raghuvir.com](mailto:info@raghuvir.com) | Website: [www.raghuvir.com](http://www.raghuvir.com)

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### ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting hall.

FOR DEMAT SHARES	FOR PHYSICAL SHARES
DP- Client ID:	Regd. Folio No.:
No. of Shares held:	No. of Shares held:

Full Name of the Member attending: .....

Name of Proxy: .....

(To be filled in if Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 40<sup>th</sup> Annual General Meeting of the Company being held on Monday, 26<sup>th</sup> September, 2022 at 12.00 p.m. at Rakhial Road, Rakhial, Ahmedabad.

**Member's / Proxy's Signature**  
(To be signed at the time of handing over this slip)

## RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Regd. Office: Rakhial Road, Rakhial, Ahmedabad-380 023 | Contact: 079-22910963-22911015-22911902

E-mail: [info@raghuvir.com](mailto:info@raghuvir.com) | Website: [www.raghuvir.com](http://www.raghuvir.com)

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### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s): .....

Registered Address: .....

E-mail ID: .....

Folio No. /Client ID: .....

DP ID: .....

I/We, being the Member(s) holding..... Shares of the above named Company, **hereby appoint;**

1. Name: .....

Address: .....

E-mail Id: .....

Signature: .....

**or failing him**

2. Name: .....

Address: .....

E-mail Id: .....

Signature: .....

**or failing him**

3. Name: .....

Address: .....

E-mail Id: .....

Signature: .....

As my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 26<sup>th</sup> September, 2022 at 12.00 p.m at Rakhial Road, Rakhial, Ahmedabad-380023 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions		Please Indicate (Assent or Dissent)
<b>ORDINARY BUSINESS</b>		
1	ADOPTION OF STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 <sup>ST</sup> MARCH, 2022 <b>(ORDINARY RESOLUTION)</b>	
2	ADOPTION OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 <sup>ST</sup> MARCH, 2022 <b>(ORDINARY RESOLUTION)</b>	
3	RE-APPOINTMENT OF MR. YASH SUNIL AGARWAL AS A DIRECTOR, WHO RETIRES BY ROTATION. <b>(ORDINARY RESOLUTION)</b>	
4	APPROVAL FOR APPOINTMENT OF STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION <b>(ORDINARY RESOLUTION)</b>	
<b>SPECIAL BUSINESS</b>		
5	RATIFICATION OF THE REMUNERATION PAYABLE TO THE COST AUDITOR APPOINTED BY THE BOARD OF DIRECTORS OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23 <b>(ORDINARY RESOLUTION)</b>	
6	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH DREAMSOFT BEDSHEETS PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
7	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
8	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
9	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
10	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH RAGHUVIR EXIM LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
11	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
12	APPROVAL TO ENTER INTO MATERIAL RELATED PARTY TRANSACTIONS WITH HYS DEVELOPERS LLP BY SUBSIDIARY OF THE COMPANY, DREAMSOFT BEDSHEETS PRIVATE LIMITED, FOR THE FINANCIAL YEAR 2022-2023 <b>(ORDINARY RESOLUTION)</b>	
13	RATIFICATION OF MATERIAL RELATED PARTY TRANSACTIONS WITH HYS INDUSTRIES PRIVATE LIMITED ENTERED DURING THE FY 2021-22 <b>(ORDINARY RESOLUTION)</b>	
14	APPROVAL OF THE REMUNERATION PAID TO MR. SUNIL RAGHUBIRPRASAD AGARWAL, CHAIRMAN & MANAGING DIRECTOR, FOR THE PERIOD FROM 01.04.2022 TO 30.06.2022 <b>(SPECIAL RESOLUTION)</b>	
15	APPROVAL TO GIVE LOAN, PROVIDE SECURITY AND MAKE INVESTMENT IN ACCORDANCE WITH SECTION 186 OF THE COMPANIES ACT, 2013 <b>(SPECIAL RESOLUTION)</b>	
16	APPROVAL TO BORROW IN EXCESS OF LIMIT PRESCRIBED IN SECTION 180(1)(C) OF THE COMPANIES ACT, 2013 <b>(SPECIAL RESOLUTION)</b>	

Signed this..... day of ....., 2022

Signature of Proxy holder(s):

Signature of shareholder(s):

Affix  
Revenue  
Stamp of  
not less  
than Re.1/-

**Notes:**

1. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 40<sup>th</sup> Annual General Meeting.
2. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
3. A Proxy need not be a Member of the Company.
4. It is optional to indicate your preference. If you leave 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in any manner as he/she may deem appropriate.



## RAGHUVIR SYNTHETICS LIMITED

CIN: L17119GJ1982PLC005424

Regd. Office: Rakhial Road, Rakhial, Ahmedabad-380 023 | Contact: 079-22910963-22911015-22911902

E-mail: [info@raghuvir.com](mailto:info@raghuvir.com) | Website: [www.raghuvir.com](http://www.raghuvir.com)

Sr. No. \_\_\_\_\_

1. Name of the sole/first named member: \_\_\_\_\_

2. Address of sole/first named member: \_\_\_\_\_

3. Name (s) of joint member(s) if any: \_\_\_\_\_

4. Registered folio No/ DP ID No/ Client ID NO.: \_\_\_\_\_

5. Number of shares held: \_\_\_\_\_

Dear Member,

### Subject: - Voting through Electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Company is pleased to offer e-voting facility to the Members of the Company to cast their votes electronically as an alternative to vote at the 40<sup>th</sup> Annual General Meeting of the Member to be held on Monday, 26<sup>th</sup> September, 2022 at 12.00 P.M. by electronic means (remote e-voting). The Company has engaged the service of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities. The e-voting facility is available at the link <https://www.evotingindia.com/>:

The Electronic voting particulars are set out below:

EVSN (E-voting Sequence number)	PAN
220825044	

The remote e-voting facility will be available during the following voting period:

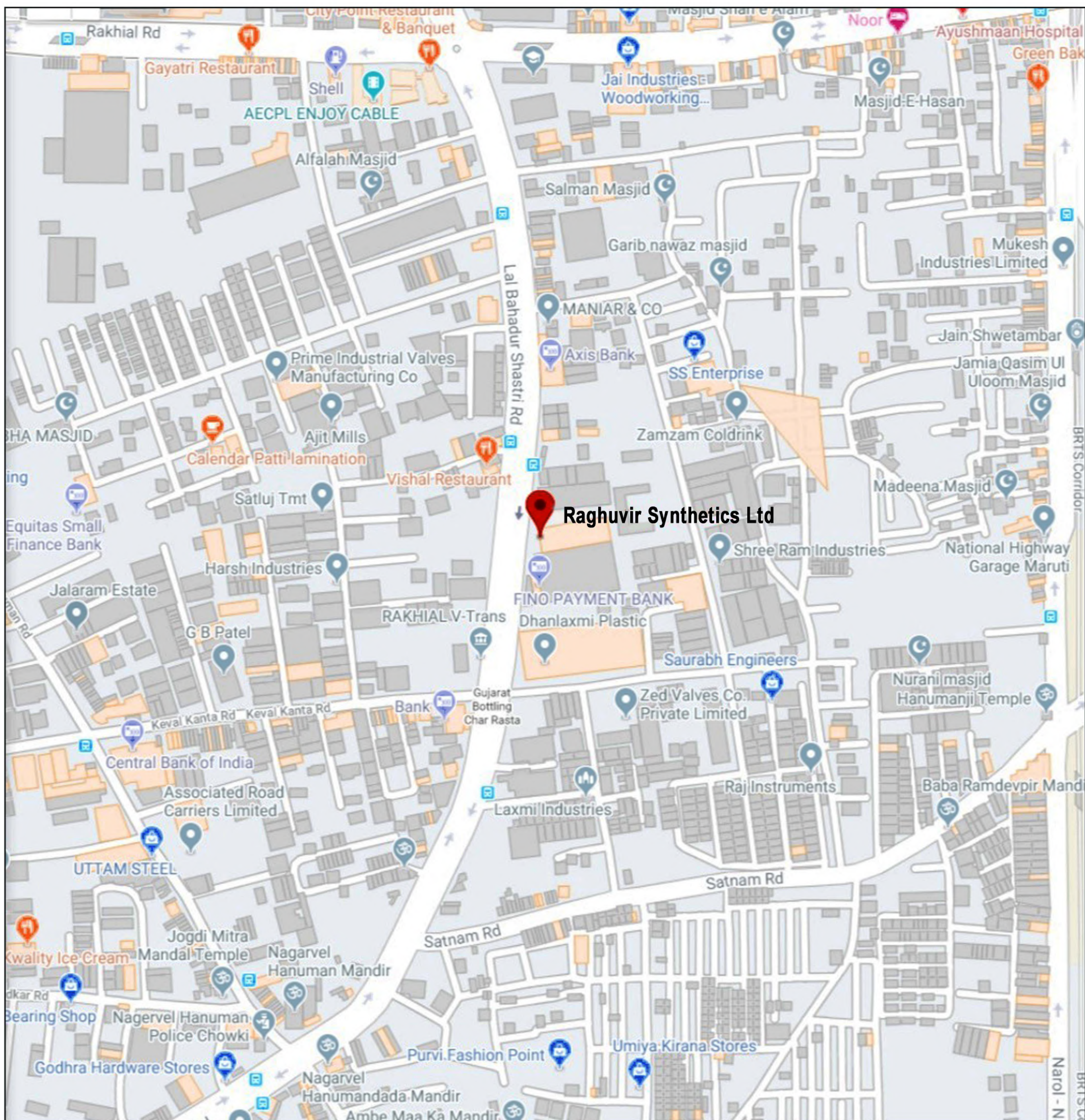
Commencement of E-voting	From 9.00 A.M. on 23 <sup>rd</sup> September, 2022
End of e-voting	Upto 5.00 P.M. on 25 <sup>th</sup> September, 2022

The remote e-voting shall not be allowed beyond 5.00 P.M on 25<sup>th</sup> September, 2022. During the e-voting period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their votes electronically. The cut-off date for the purpose of remote e-voting is 19<sup>th</sup> September, 2022.

**Please note the instructions printed in the Notice before exercising the vote.**

**These details and instruction form integral part of the Notice for the Annual General Meeting to be held on Monday, 26<sup>th</sup> September, 2022.**





#### NAVIGATION LINK FOR REGISTERED OFFICE:

Access the WEBLINK <https://maps.app.goo.gl/xLf9rgbrx8nQpovW7> via Google application. You will be re-directed the route of the registered office of M/S. Raghuvir Synthetics Limited situated Nr. Gujarat Bottling, Rakhial Road, Rakhial, Ahmedabad-380023.GJ( IN )