



**49<sup>th</sup>**  
**Annual Report**  
**2018-2019**

**SWADESHI POLYTEX LIMITED**

**SWADESHI POLYTEX LIMITED****BOARD OF DIRECTORS**

<b>Mr. Gaurav Swarup</b>	Chairman
<b>Mr. Hartaj Sewa Singh</b>	Vice Chairman
<b>Dr. Anil Gupta</b>	Director
<b>Mr. A. Sukumar</b>	Director
<b>Mr. Pankaj Agarwal</b>	Director
<b>Mr. S. B. Singh</b>	Director
<b>Mr. B. Mehrotra</b>	Director
<b>Mr. S. S. Madan</b>	Independent Director
<b>Mr. N. K. Gupta</b>	Independent Director
<b>Mr. Naveen Aggarwal</b>	Independent Director
<b>Mr. Y. J. Dastoor</b>	Independent Director
<b>Ms. Purti Marwaha</b>	Independent Director

**KEY MANAGERIAL PERSONNELS**

<b>Mr. Bhuwan Chaturvedi</b>	Chief Executive Officer
<b>Ms. Stuti Thukral</b>	Company Secretary
<b>Mr. Promod Pandey</b>	Chief Financial Officer

**REGISTERED OFFICE****CIN:** L25209UP1970PLC003320

New Kavi Nagar Industrial Area Ghaziabad - 201002 (U.P.)

Website: [www.splindia.co.in](http://www.splindia.co.in)**REGISTRAR AND SHARE TRANSFER AGENT****M/s RCMC Share Registry Private Limited**

B-25/1, Okhla Industrial Area,

Phase-II, Near Rana Motors, New Delhi - 110 020

Phone : 011-26387320/21/23

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**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 49<sup>th</sup> Annual General Meeting of the Members of Swadeshi Polytex Limited will be held on Monday, 16<sup>th</sup> September, 2019 at 03:00 P.M. at the Registered Office of the Company at A-1, Sector 17, New Kavi Nagar Industrial Area, Ghaziabad - 201002 (Uttar Pradesh) to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2019 together with the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Hartaj Sewa Singh having Director's Identification Number 00173286, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
3. To appoint a Director in place of Shri Shamsheer Bahadur Singh having Director's Identification Number 03225016, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.
4. To appoint a Director in place of Shri Sukumar Arunachalam having Director's Identification Number 06624132, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re- appointment.

**SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and based on the recommendation of Nomination and Remuneration Committee, Mrs. Purni Marwaha (Director Identification Number: 07090475), Independent Director of the Company who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for re-appointment for the second term of five years, be and is hereby re-appointed as Independent Director of the Company to hold office for a term of five consecutive years, from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting of the Company to be held in the year 2024 and whose office shall not be liable to retire by rotation."

6. 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 Section 152 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Sukumar Arunachalam (DIN- 06624132) who was appointed as a Nominee Director of the Company with effect from 18<sup>th</sup> January, 2019, by the Board of Directors in terms of Section 161(3) of the Act and whose term of office expires at the conclusion of the Annual General Meeting, be and is hereby appointed as Director of the Company."

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

## SWADESHI POLYTEX LIMITED

“**RESOLVED THAT** pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Pankaj Agarwal (DIN- 08467347) who was appointed as a Nominee Director of the Company with effect from 30<sup>th</sup> May, 2019, by the Board of Directors in terms of Section 161(3) of the Act and whose term of office expires at the conclusion of the Annual General Meeting, be and is hereby appointed as Director of the Company.”

By order of the Board  
For **Swadeshi Polytex Limited**

**Sd/-**  
**(Shamsher Bahadur Singh)**

Director  
(DIN: 03225016)

**Sd/-**  
**(Bipin Behari Mehrotra)**

Director  
(DIN: 03279399)

Place : New Delhi  
Dated : 5th August, 2019

### NOTES: -

1. Additional information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and Secretarial Standard on General Meetings (SS-2) in respect of the Directors seeking appointment / re-appointment at the ensuing annual general meeting, viz. brief resume detailing age, qualifications, nature of expertise in specific functional areas, directorships and membership of committees held in other companies, shareholding interest in the Company and inter-se relationship amongst directors / key managerial personnel is appended and should be construed as a part of this Notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The Admission Slip cum E-voting Advice is appended to the Annual Report 2018-19. The Proxy Form is also annexed towards the end of the Annual Report.

3. Pursuant to the provisions of section 105 of the Companies Act, 2013 and the underlying rules viz. Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing the proxy, as per the format included in the Annual Report, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less/after than FORTY-EIGHT HOURS before the commencement of the meeting.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Register of Members and Transfer Books of the Company will be closed from 10<sup>th</sup> September, 2019 till 16<sup>th</sup> September, 2019 (both days inclusive).
7. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting and number of shares held by them.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address,

contact numbers etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically recorded in the Company's records, which will help the Company and the Company's Registrars and Transfer Agent M/s RCMC Share Registry Private Limited (RCMC), B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RCMC directly.

9. Members holding shares in physical form are requested to convert their holding to dematerialized form because as per the notification of Securities and Exchange Board of India, dated 8th June, 2018, except in case of transmission or transposition of securities, request for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository w.e.f. 5th December, 2018. Members can contact the Company or RCMC for assistance in this regard.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or M/s RCMC Share Registry Private Limited, B-25/1, Okhla Industrial Area, Phase-2, Near Rana Motors, New Delhi-110020, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
11. Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.
12. The Notice of the AGM along with the Annual Report 2018-19 and instructions for e-voting, Attendance slip and Proxy form 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. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that the Notice of the AGM and the Annual Report 2018-19 will be available on the Company's website [www.splindia.co.in](http://www.splindia.co.in)
13. Regulation 44(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, provides for the mandatory electronic voting facility to all the members of the Company to exercise their right to vote at the general meeting through electronic means. The Company in compliance of the provisions is providing the electronic voting facility to all the members at the cut-off date for transacting the businesses at the Annual General Meeting by electronic means by following the e-voting process. The Complete details of the instructions for e-voting are annexed to this notice as additional attachment.

By order of the Board  
For **Swadeshi Polytex Limited**

**Sd/-**  
**(Shamsher Bahadur Singh)**

Director  
(DIN: 03225016)

**Sd/-**  
**(Bipin Behari Mehrotra)**

Director  
(DIN: 03279399)

Place : New Delhi  
Dated : 5th August, 2019

# SWADESHI POLYTEX LIMITED

## DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOUSER REQUIRMENTS) REGULATION, 2015

### ITEM NO. 2, 3, 4, 5, 6 & 7: BRIEF PROFILE OF DIRECTORS

Details of Directors seeking re-appointment at the Annual General Meeting scheduled to be held on 16<sup>th</sup> September, 2019 (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and disclosure requirements) Regulations 2015:

Name of the Director	Shri Hartaj Sewa Singh	Shri Shamsher Bahadur Singh	Shri Sukumar Arunachalam	Smt. Perti Marwaha	Shri Pankaj Agarwal
DIN	00173286	03225016	06624132	07090475	08467347
Age	58	57	55	42	53
Date of appointment	26/09/2003	26/08/2010	18/01/2019	12/02/2015	05/08/2019
Qualification	M.B.A. (Finance)	Company Secretary; Cost and Management Accountant	B. Tech (Textiles)	LLB	Company Secretary
Expertise in Specific Area	Management Consultancy	Costing, MIS, Finance & Strategic Management	Yarn/Fabric Manufacturing	Legal	Company Law matter
Shareholding in Swadeshi Polytex Limited	250 shares	NIL	NIL	NIL	NIL
Directorship held in other companies (excluding foreign and private Companies)	NIL	<ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Ltd.</li> <li>2) Goldmohur Design &amp; Apparel Parks Ltd.</li> <li>3) India United Textile Mills Ltd.</li> <li>4) New City of Bombay Manufacturing Company Ltd.</li> <li>5) Aurangabad Textiles and Apparel Parks Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Ltd.</li> <li>2) Goldmohur Design &amp; Apparel Parks Ltd.</li> <li>3) India United Textile Mills Ltd.</li> <li>4) New City of Bombay Manufacturing Company Ltd.</li> <li>5) Aurangabad Textiles and Apparel Parks Ltd.</li> </ol>	NIL	NIL
Membership/Chairmanship of Audit and stake holders relationship committees	NIL	<b>Member Audit Committee Meeting</b> <ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Ltd.</li> <li>2) Goldmohur Design &amp; Apparel Parks Ltd.</li> <li>3) India United Textile Mills Ltd.</li> <li>4) New City of Bombay Manufacturing Company Ltd.</li> <li>5) Aurangabad Textiles and Apparel Parks Ltd.</li> </ol>	<b>Member Audit Committee Meeting</b> <ol style="list-style-type: none"> <li>1) Apollo Design Apparel Parks Ltd.</li> <li>2) Goldmohur Design &amp; Apparel Parks Ltd.</li> <li>3) India United Textile Mills Ltd.</li> <li>4) New City of Bombay Manufacturing Company Ltd.</li> <li>5) Aurangabad Textiles and Apparel Parks Ltd.</li> </ol>	NIL	NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013****ITEM NO. 5**

The members of the Company, at the Annual General Meeting held on June 30<sup>th</sup>, 2015 had approved the appointment of Mrs. Purti Marwaha as Independent Director of the Company, whose term is due to expire on ensuing AGM.

As per the provisions of Section 149 (10) of the Act and the Rules framed there under and also the SEBI (LODR) Regulations, 2015 ('Listing Regulations'), an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment for another term of up to five consecutive years on passing a special resolution by the Company and disclosure of such re-appointment in the Board's report.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of professional skill, knowledge, experience, continued valuable guidance to the management and also on the basis of the performance evaluation of the Directors by the Board of Directors of the Company, on the recommendations of the Nomination and Remuneration Committee and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, it is proposed to re-appoint Mrs. Purti Marwaha for the second term as Independent Directors on the Board of Swadeshi Polytex Limited for a period of five years commencing from the ensuing Annual General Meeting till the Conclusion of Annual General Meeting to be held in the year 2024, whose period of office shall not be liable to retire by rotation.

The Board recommends the passing of Resolution as set out at Item No. 5 of the Notice as Special Resolution.

Save and except Mrs. Purti Marwaha, being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the special resolutions set out at Item No. 5 of the Notice.

**ITEM No. 6**

Mr. Sukumar Arunachalam (DIN- 06624132) was appointed on the Board of Director of the Company on 18th January, 2019 as Nominee/ Additional Director. Shareholder's consent of the Company is required to confirm and approve his appointment as Director of the Company.

The directors recommend the resolutions at Item no. 6 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

Save and except Mr. Sukumar Arunachalam being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 6 of the Notice.

**ITEM No. 7**

Mr. Pankaj Agarwal (DIN- 08467347) was appointed on the Board of Director of the Company on 30<sup>th</sup> May, 2019 as Nominee/ Additional Director. Shareholder consent of the Company is required to confirm and approve his appointment as Director of the Company.

The directors recommend the resolution at Item no. 7 of the accompanying Notice for the approval of the Members of the Company as an Ordinary Resolution.

Save and except Mr. Pankaj Agarwal being the appointee, none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the ordinary resolution set out at Item No. 7 of the Notice.

By order of the Board  
For **Swadeshi Polytex Limited**

**Sd/-**  
**(Shamsher Bahadur Singh)**  
Director  
(DIN: 03225016)

**Sd/-**  
**(Bipin Behari Mehrotra)**  
Director  
(DIN: 03279399)

Place : New Delhi  
Dated : 5th August, 2019

# SWADESHI POLYTEX LIMITED

## DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 49<sup>th</sup> Annual Report on the Business and operations of the Company together with the audited results for the financial year ended March 31, 2019.

### FINANCIAL HIGHLIGHTS

(Rs. in Lakhs)

Particulars	Year Ended on 31.03.2019	Year Ended on 31.03.2018
Total Income	1327.81	596.77
Total Expenditure	570.41	602.39
Profit /(Loss) before exceptional items and tax from Continued operations	757.40	(5.62)
Tax Expenses from Continued operations	108.75	44.60
Profit (Loss) from continuing operation.	648.65	(50.22)
Profit /(Loss) before exceptional items and tax from discontinued operations	189.13	20.21
Tax Expenses from discontinued operations	38.94	3.75
Profit/(Loss) from discontinuing operations	150.19	16.46
Profit (Loss) after tax	798.84	(33.76)

In view of the huge carry forward losses and constrained liquidity position of the Company, your Directors have considered it appropriate not to recommend any dividend in the financial year 2018-19.

### RESULTS OF OPERATION

The Company has entered into the Real Estate sector in the earlier years and has earned revenue of Rs. 1315.71 lakh from selling of lease hold plot rights of the Company during the year. Your directors are hopeful of achieving better results in the current financial year.

### STATE OF COMPANY'S AFFAIRS

Gross revenues increased to Rs. 1327.81 lakh against Rs. 596.77 lakh in the previous year. Profit from continuing operations was Rs. 648.65 lakh against loss of Rs. 50.22 lakh in the previous year. Profit from discontinuing operations was Rs. 150.19 lakhs against profit of Rs. 16.46 lakhs in the previous year. The profit of the Company for the year under review after tax was Rs. 798.84 lakh as against loss of Rs. 33.76 lakh in the previous year.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

### MANAGEMENT DISCUSSION AND ANALYSIS (MDA):

Management discussion and analysis, for the year, as stipulated under Regulation 34 (2) (e) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") is presented in a separate section, which forms a part of the Annual Report.

**NUMBER OF MEETINGS OF THE BOARD**

During the year Five (05) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 ("the Act").

Sl. No.	Type of Meeting	No. of Meetings	Date of Meeting	Directors attended the meeting
1.	Board Meeting	2/2018	15.05.2018	1. Shri Hartaj Sewa Singh 2. Shri Naveen Aggarwal 3. Shri Niranjana Kumar Gupta 4. Shri Shyam Sunder Madan 5. Shri Bipin Behari Mehrotra 6. Ms. Purti Marwaha 7. Shri Yezdezard Jehangir Dastoor
2.	Board Meeting	3/2018	13.08.2018	1. Shri Gaurav Swarup 2. Shri Hartaj Sewa Singh 3. Dr. Anil Gupta 4. Shri Rakesh Kumar Sinha 5. Shri Shamsher Bahadur Singh 6. Shri Naveen Aggarwal 7. Shri Niranjana Kumar Gupta 8. Shri Shyam Sunder Madan 9. Ms. Purti Marwaha 10. Shri Yezdezard Jehangir Dastoor 11. Shri Bipin Behari Mehrotra
3.	Board Meeting	4/2018	02.11.2018	1. Shri Hartaj Sewa Singh 2. Dr. Anil Gupta 3. Shri Shamsher Bahadur Singh 4. Shri Rakesh Kumar Sinha 5. Shri Niranjana Kumar Gupta 6. Shri Naveen Aggarwal 7. Shri Shyam Sunder Madan 8. Ms. Purti Marwaha 9. Shri Bipin Behari Mehrotra
4.	Board Meeting	1/2019	11.02.2019	1. Shri Hartaj Sewa Singh 2. Dr. Anil Gupta 3. Shri Rakesh Kumar Sinha 4. Shri Shamsher Bahadur Singh 5. Shri Naveen Aggarwal 6. Shri Niranjana Kumar Gupta 7. Shri Shyam Sunder Madan 8. Ms. Purti Marwaha 9. Shri Bipin Behari Mehrotra

## SWADESHI POLYTEX LIMITED

5.	Board Meeting	2/2019	11.03.2019	1. Shri Hartaj Sewa Singh 2. Shri Rakesh Kumar Sinha 3. Dr. Anil Gupta 4. Shri Shamsheer Bahadur Singh 5. Shri Naveen Aggarwal 6. Shri Niranjana Kumar Gupta 7. Shri Shyam Sunder Madan 8. Shri Rakesh Kumar Sinha 9. Ms. Purni Marwaha 10. Shri Sukumar Arunachalam
6.	Annual General Meeting for the FY 2017-18	48 <sup>th</sup>	25.09.2018	1. Shri Naveen Aggarwal 2. Shri Bipin Behari Mehrotra 3. Shri Niranjana Kumar Gupta 4. Shri Shyam Sunder Madan

### COMPOSITION OF AUDIT COMMITTEE

The Company has formed the Audit Committee pursuant to the provisions of Section 177 of the Act, read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 consisting of the following members:

- |    |                    |   |                  |
|----|--------------------|---|------------------|
| 1. | Mr. Naveen Agarwal | : | Chairman         |
| 2. | Dr. Anil Gupta     | : | Committee Member |
| 3. | Mr. N.K. Gupta     | : | Committee Member |

During the year Six (06) meetings of the Audit Committee were convened and held.

### DIRECTOR'S RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134 (3) (c) and Section 134 (5) of the Act, in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019 and state that:

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