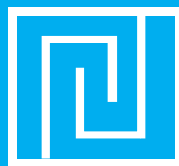




**40TH
ANNUAL
REPORT
2023-24**



NAHAR INDUSTRIAL ENTERPRISES LIMITED



BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal, Chairman
Sh. Kamal Oswal, Vice Chairman-cum-Managing Director
Sh. Dinesh Oswal, Director
Sh. Abhinav Oswal, Executive Director
Sh. Dinesh Gogna, Director
Sh. Navdeep Sharma, Director
Dr. Suresh Kumar Singla, Independent Director
Mrs. Manisha Gupta, Independent Director
Dr. Roshan Lal Behl, Independent Director
Sh. Parvinder Singh Pruthi, Independent Director
Dr. Yash Paul Sachdeva, Independent Director
Dr. Anchal Kumar Jain, Independent Director

CHIEF FINANCIAL OFFICER

Sh. Bharat Bhushan Gupta

COMPANY SECRETARY

Sh. Mukesh Sood

AUDITORS

M/s. K.R.Aggarwal & Associates,
Chartered Accountants,
SCO 549/10 (1st Floor), Sutlej Tower, Near Fountain Chowk,
Opp. Petrol Pump, Cemetery Road,
Ludhiana-141001

BANKERS

State Bank of India	Punjab National Bank
Punjab & Sind Bank	Indian Bank
IDBI Bank Ltd.	Bank of Baroda

REGISTERED Office

Focal Point, Ludhiana -141010
Phone : 0161-5064200, 5083216 Fax : 0161-2674072
Website: www.owmnahar.com

CORPORATE IDENTIFICATION NUMBER (CIN): L15143PB1983PLC018321

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Performance at a glance

(Rs. in Lacs)

	<u>2019-20</u>	<u>2020-21</u>	<u>2021 -22</u>	<u>2022 -23</u>	<u>2023 -24</u>
Gross sales/operating income	157,272.70	141,802.66	200,635.85	177,387.37	147,176.18
Exports	21,346.86	26,966.15	48,706.55	25,678.25	16,481.84
Net Profit	(2,537.34)	(913.24)	15,681.13	7,927.04	961.68
Cash Accruals	3,851.70	4,471.24	26,539.15	15,059.67	5,922.57
Gross Block including CWIP	201,276.42	202,273.59	198,963.10	203,956.93	210,668.67
Net Block including CWIP	57,952.65	54,520.35	53,461.84	56,669.14	65,594.80
Equity Share Capital	4,003.42	4,003.42	4,003.42	4,340.67	4,340.67
Net Worth	73,466.09	73,415.03	88,831.65	95,013.62	96,085.35
Capital Employed	94,715.83	91,273.89	101,879.78	105,959.05	109,009.15
Debt Equity Ratio	0.20	0.95	0.79	0.29	0.55
Current Ratio	1.28	1.33	1.42	2.22	1.58
Book Value per share (₹)	184.43	184.30	222.99	219.91	222.39
Earning per share (₹) [Basic]	(6.37)	(2.29)	39.37	19.89	2.23

The Journey

1983	Incorporated on 27th September, 1983.
1994	Name changed as Nahar Industrial Enterprises Ltd.
1997	Merged Nahar Fabrics Ltd. (Manufacturer of greige fabrics).
2002	Merged Oswal Cotton Mills Ltd. (Manufacturer of processed fabrics and finished garments).
2005	Merged Nahar International Ltd. (Manufacturer of yarn) and Nahar Sugar & Allied Industries Ltd. (Manufacturer of sugar).
2023	Merged Cotton County Retail Ltd.

For Attention of Shareholders

- Mandatory furnishing / updating of PAN, KYC details and Nomination by holders of physical securities (Equity Shares) as per SEBI Circular No. SEBI/HO/MIRSD/PoD-1/P/CIR/2023/70 dated May 17, 2023.
- SEBI has mandated that w.e.f. March 31, 2019 only dematerialized securities will be allowed to be transferred except for transmission or transposition of securities.
- To support the Green Initiative of Ministry of Corporate Affairs in the Corporate Governance, Shareholders are requested to register their latest Email addresses with the Depository Participants (DP) / Company / Registrar and Transfer Agent (RTA).

**NOTICE**

Notice is hereby given that the **40th Annual General Meeting** of the members of **Nahar Industrial Enterprises Limited** will be held on **Friday, the 27th day of September, 2024 at 11.45 a.m.** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the Audited Financial Statements of the Company for the financial year ended on 31st March, 2024 and the Reports of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March, 2024 and the Reports of Auditors thereon.
- To appoint a director in place of Sh. Dinesh Gogna (DIN: 00498670), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
- To appoint a director in place of Sh. Navdeep Sharma (DIN: 00454285), who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

- To approve the remuneration of cost auditor for the financial year 2024-25** and in this regard 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 all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), M/s. R.R. & Co., Cost Accountants, Ludhiana (Firm Registration No. 000323) who has been appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost accounting records of the Company for Textile and Sugar segments for the financial year ending 31st March, 2025, the company do hereby confirm and ratify the remuneration of Rs. 300000/- (Rupees Three Lacs only) plus actual out-of-pocket expenses, as approved by the Audit Committee."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary and expedient to give effect to the

aforesaid resolution."

By Order of the Board of Directors

sd/-

Place : Ludhiana

Date : 14th August, 2024

**Mukesh Sood
Company Secretary**

NOTES:

- Pursuant to General Circulars 20/2020 dated 05.05.2020; 19/2021 dated 18.12.2021; 2/2022 dated 05.05.2022; 10/2022 dated 28.12.2022 the latest being 09/2023 dated 25.09.2023, read with other circulars issued by the Ministry of Corporate Affairs (MCA) (collectively referred to as MCA Circulars), and in line with the Circulars issued by the Securities and Exchange Board of India (SEBI) from time to time, the Company is convening the AGM through VC/OAVM, without the physical presence of the Members. Pursuant to the said circulars of MCA and other circulars of SEBI and applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 40th AGM of the Company shall be conducted through VC/ OAVM. Central Depository Services (India) Limited ('CSDL') will be providing facility for voting through remote voting, for participation in the AGM through VC/ OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/ OAVM is explained at Note No. 17.
- Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of the notice.
- The information required to be provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards, regarding the Directors who are proposed to be appointed/ re-appointed is given in the Explanatory Statement and forms part of the notice.
- Since the physical attendance of Members has been dispensed with, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Attendance Slip, Route Map and Proxy Form are not annexed to this Notice. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
- In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM and Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company /RTA/Depositories. Members may note that the Notice will also be available on the Company's



website at www.owmnahar.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on website of the e-voting agency i.e. Central Depository Services (India) Limited at www.evotingindia.com

- For the purpose of receiving the Notice of the AGM and the Annual Report through electronic mode in case the email address is not registered with the respective DPs / Company / RTA, we urge members to support the Green Initiative of the Government of India (GOI) by choosing to receive the communication from the Company through email.
- Mandatory furnishing/ updating of PAN, KYC details and Nomination by holders of physical securities (Equity Shares)**

Sr. No.	Particulars	Details of documents that are to be submitted	
1.	PAN	For registration / updation in PAN, Bank Details, Address, Email, Mobile Number or Signatures, please provide the details in the prescribed Form	PAN shall be valid only if it is linked to Aadhaar on such date as may be specified by the Authority
2.	Bank Details	ISR-1, available at	
3.	Mobile Number	http://www.owmnahar.com/nahar_ie/kyc_updation.php along with related	
4.	Email-ID	documents as stated	
5.	Address	therein, self-attested by	
6.	Signatures	the shareholder(s).	
7.	Confirmation of signatures	Please provide details in Form ISR -2, available at http://www.owmnahar.com/nahar_ie/kyc_updation.php along with original cancelled cheque with name of the security holder printed on it / Bank passbook/ Bank statement attested by the Bank and Banker's attestation of the signatures.	
8.	Nomination	Please provide duly completed prescribed forms as applicable:- - Form SH-13 – For registration of Nomination; - Form ISR -3 – Declaration for opting out from Nomination; - For cancellation of existing nomination in Forms SH-14 and ISR-3; - For change in existing nomination in Form SH - 14 available at http://www.owmnahar.com/nahar_ie/kyc_updation.php	

SEBI vide its Circular No. SEBI/HO/MIRSD/ PoD-1/P/CIR/2023/70 dated May 17, 2023 has mandated for furnishing/updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company. Therefore, you are requested to note the following and provide the desired information:

- The Registrar & Transfer Agent (RTA) / Company shall not process any service requests or complaints received from the holder(s)/ claimant(s), till PAN, Nomination, Contact details,

Bank Account details and Specimen Signatures are registered.

- The payment of dividend shall be made only through electronic mode. No physical dividend warrants will be issued.
- The Security holder / claimant may provide the documents / details to the RTA for various service requests by way of 'In person verification' (IPV) or post or electronic mode with e-sign; unless otherwise prescribed in the Companies Act, 2013 or the Rules issued there under or in SEBI Regulations or Circulars issued there under. The shareholders are requested to forward the duly filled in documents along with the related proofs as mentioned above to the **Company at its Registered Office or Registrar and Transfer Agent** at the below mentioned address at the earliest:

**M/s. Alankit Assignments Ltd
 (Unit: Nahar Industrial Enterprises Ltd.)
 Alankit Height, 1E/13, Jhandewalan
 Extension, NEW DELHI-110055
 Telephone No : (011) 42541234
 E-mail Address : rta@alankit.com**

Further, as an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for:

- Issue of duplicate securities certificate;
- Claim from Unclaimed Suspense Account;
- Renewal / Exchange of securities certificate;
- Endorsement;
- Subdivision /Splitting of securities certificate;
- Consolidation of securities certificates/ folios;
- Transmission;
- Transposition.

Therefore, the shareholders are requested to get the shares dematerialised at the earliest.

- Institutional / Corporate members are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 21st September, 2024 to 27th September, 2024 (both days inclusive) for the purpose of AGM.
- The documents referred to in the Explanatory Statement are open for inspection at the registered



office of the Company on any working day (except Saturday and Holiday) between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

11. Members are informed to send all documents and communications pertaining to equity shares to M/s. Alankit Assignments Limited, RTA Division, Alankit House, 1E/13, Jhandewalan Extension, New Delhi – 110055, Registrar & Transfer Agent (RTA) for both physical and dematerialized segment of equity shares. Please quote on all correspondence – Unit: Nahar Industrial Enterprises Limited.
12. **Pursuant to provisions of section 124 and 125 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (the IEPF Rules), all shares in respect of which dividend has not been claimed by the shareholders of the Company for seven consecutive years, have already been transferred by the Company in the name of INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY, MINISTRY OF CORPORATE AFFAIRS. Members are hereby informed to claim the unclaimed / unpaid dividend relating to 2016-17 at the earliest by complying with the formalities mentioned at Note No. 7 hereinabove as the same is due to be transferred to the IEPF in the month of November, 2024.**
13. Members seeking any information with regard to the accounts at the time of the meeting are requested to write to the Company at least 10 days before the date of the meeting so as to enable the management to keep the relevant information ready.
14. **DEMATERIALIZATION OF SHARES:** SEBI vide its circular No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 has mandated that with effect from April 1, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In light of same shareholders holding equity shares in physical form are requested to convert their physical shares in Dematerialized form to avoid hassle in transfer of shares.
15. **CONSOLIDATION OF MULTIPLE FOLIOS:**
Members holding more than one share in the same name or joint names in the same order but under different ledger folios are requested to apply for consolidation of such folios into a single folio and accordingly send a request letter duly signed by the shareholder and the relevant share certificates along with the self attested copy of PAN card and Aadhaar

card to the Registrars and Share Transfer Agent (RTA) of the Company /Company at its Registered Office, to enable them to consolidate all such multiple folios into one single folio.

16. M/s. P.S.Bathla & Associates, Company Secretaries (Membership No. FCS-4391) has been appointed as the Scrutinizer for conducting the Remote e-voting process in a fair and transparent manner.
17. **Procedure for remote e-voting, attending the AGM and e-voting during the AGM:**
 - i) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
 - ii) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020** 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. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

**Type of shareholders:****Individual Shareholders holding securities in demat mode with CDSL**

- 1) Users who have opted for CDSL's 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 URLs for users to login to Easi/Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on Login icon and select New System Myeasi.
- 2) After successful login the Easi / Easiest, user will be able to see the e-Voting Menu. On clicking the voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/KARVY/LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- 3) If the user is not registered for Easi/Easiest, option to register is available at <https://www.cdslindia.com/myeasi/Registration/EasiRegistration>
- 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a evoting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and able to directly access the system of all e-voting service provider.

Individual Shareholders holding securities in demat mode with NSDL

- 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: <https://eservices.nsdl.com> 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 or joining virtual meeting & voting during the meeting.

- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> 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 held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository website 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 or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their Depository Participants

- 1) 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's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 (CDSL)**

Individual Shareholders holding securities in Demat mode with CDSL

Helpdesk details

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call at Toll free No. 1800225533



Login type (NDSL)

Individual Shareholders holding securities in Demat mode with NSDL

Helpdesk details

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at Toll free No. 18001020990 and 1800224430

A. Procedure and instructions for remote e-voting:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of SS-2 issued by ICSI, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 40th Annual General Meeting of the Company.
 - II. The Annual Report is being sent by E-mail to those members who have registered their E-mail address with the Company/ Depository Participants.
 - III. The instructions of shareholders for e-voting and joining virtual meetings are as under:
 - Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
 - Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
 - (i) The voting period begins on 24.09.2024 (09.00 a.m.) and ends on 26.09.2024 (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20.09.2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the evoting website www.evotingindia.com during the voting period.
 - (iv) Click on "Shareholders" module.
 - (v) 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) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Or

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST eservices, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (SQN) in the PAN Field. • If the sequence number is less than 8 digits; enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. The persons entitled to vote on cut-off date may obtain details of sequence number from the company/RTA.
Dividend Bank Details or Date of Birth	<p>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.</p> <ul style="list-style-type: none"> • 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 as mentioned in instructions (v).



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 the 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the **EVSN 240822027** for the relevant **NAHAR INDUSTRIAL ENTERPRISES LIMITED** on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Note for Non-individual Shareholders and Custodian:-
- Non-individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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 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 id i.e. share@owmnahar.com (designated email address by company), 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 addresses / mobile numbers are not registered with the company / depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**
- i) 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), AADHAAR (self attested scanned copy of Aadhar Card) by email to the Company at the Email ID i.e. share@owmnahar.com or RTA at Email ID i.e. rtal@alankit.com
 - ii) 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.
 - iii) The Company Secretary shall co-ordinate with CDSL



and provide the login credentials to the above mentioned shareholders.

B. Procedure and instructions for attending the AGM through VC / OAVM

- i) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
- ii) The participants connecting from Mobile devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective Network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Shareholders are encouraged to join the Meeting through Laptops /IPads for better experience.
- iii) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number along with their queries at Email id i.e. share@owmnahar.com up to 20.09.2024. Those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting. These queries will be replied to by the company suitably by email.
- iv) Members are requested to not to share the Login details (User Id & Password) with any person and keep the same confidential with you only. Sharing of Login details is absolutely prohibited. Please note that the Members who do not have the User ID and Password for attending AGM through VC/OAVM and e-voting or have forgotten the User ID and Password may retrieve

the same by following the instructions mentioned herein.

- v) For convenience of the Members and proper conduct of AGM, Members are requested to login and join at least 15 (fifteen) minutes before the time scheduled for the AGM i.e. 11.30 a.m. IST. The link for joining the AGM shall be kept open until 12.15 p.m. IST i.e. 30 minutes after the start of AGM.
- vi) Any person who acquires shares of the Company and becomes the member of the Company after the cut-off date, may obtain the login ID and password by sending a request at helpdesk. evoting@cdslindia.com. However, if he / she is already registered with CDSL for remote e-voting then he/she can use his /her existing user id and password.

C. Procedure and instructions for Members for evoting during the AGM

- i) The procedure to be followed for e-voting on the day of the AGM will be the same as mentioned above for remote e-voting.
 - ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote evoting.
 - iii) Only those Members, who are present at the AGM through VC /OAVM and have not casted their vote on the resolutions through remote evoting and are otherwise not barred from doing so, shall be eligible to vote through e-voting during the AGM.
 - iv) If any votes are cast by the Members through the e-voting facility available during the AGM and if the said Members have not participated in the AGM through VC / OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-voting during the AGM is available only to the Members attending AGM.
 - v) Shareholders who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- IV. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-voting system, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free No. 1800225533.



V. All grievances connected with the facility for voting by electronic means may be addressed to Manager, Central Depository Services (India) Limited, A- Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at Toll free No. 1800225533.

VI. A copy of this notice has been placed on the website of the Company and the website of CDSL.

D. General Instructions

- i) The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on the cut-off date (record date) of 20.09.2024.
- ii) The Scrutinizer after scrutinizing the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman. The results declared along with the consolidated Scrutinizer's Report shall be placed on the website of the Company i.e. www.ownahar.com and on the website of CDSL i.e. www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- iii) The voting result will be announced by the Chairman or any other person authorized by him within two working days of the conclusion of AGM.

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

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R.R. & Co., Cost Accountants, Ludhiana as Cost Auditors to conduct the audit of the cost accounting records of Textile and Sugar segments of the Company for the financial year ending 31.3.2024 at such remuneration, as mentioned in the resolution.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.3.2025.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the passing of Ordinary resolution set out at Item No. 4 of the Notice for approval of the members.

By Order of the Board of Directors

sd/-

**Place : Ludhiana
Date : 14th August, 2024**

**Mukesh Sood
Company Secretary**



ANNEXURE TO THE NOTICE

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Directors seeking appointment / re-appointment has been given as hereunder:-

Name of Director, Designation and Brief Resume	Nature of Expertise in Specific Functional Areas	Details of Directorships and Committee positions in various companies			Share-holding in the company	Relation-ship between Directors inter-se	Terms and Conditions of Appointment	Other Details
		Directorships	Committees	Status				
Sh. Dinesh Gogna (DIN: 00498670) Non-Executive Director Age: 71 years Qualification: B.A., LLB.	More than 45 years of experience in the field of Corporate Finance and Taxation	Nahar Industrial Enterprises Ltd.	Audit Stakeholders Relationship CSR	Member Chairman Member	Nil	Nil	Non-Executive Director liable to retire by rotation Sitting Fees to be paid for attending Meetings of the Board	Date of first appointment on the Board : Appointed First Director of the company in terms of Articles of Association Remuneration last drawn : Sitting Fee @ Rs. 10,000/- per Board meeting. No. of Board meetings attended during last year : 4 (four)
		Nahar Spinning Mills Ltd.	Audit Share Transfer CSR	Member Member Member				
		Nahar Poly Films Ltd.	Share Transfer Audit CSR Stakeholders Relationship	Member Member Member Member				
		Oswal Woollen Mills Ltd.	Audit Shareholders	Member Member				
		Monte Carlo Fashions Ltd.	Stakeholders Relationship Audit Nomination & Remuneration CSR Share Transfer	Chairman Member Member Member Member				
		Girnar Investment Ltd.	---	---				
		Oswal Leasing Ltd.	---	---				
		Nahar Capital & Financial Services Ltd.	Share Transfer CSR Risk Management Investment	Member Member Member Member				
		Crown Star Ltd. (U.K.)	---	---				
		Parshav Investment & Trading Company Ltd.	---	---				



NAHAR INDUSTRIAL ENTERPRISES LIMITED

Annual Report 2023-24

Name of Director, Designation and Brief Resume	Nature of Expertise in Specific Functional Areas	Details of Directorships and Committee positions in various companies			Share-holding in the company	Relation-ship between Directors inter-se	Terms and Conditions of Appointment	Other Details
		Directorships	Committees	Status				
Sh. Navdeep Sharma (DIN: 00454285) Non-Executive Director Age: 65 years Qualification: B.A., LLB	More than 41 years of experience in the field of Taxation	Nahar Industrial Enterprises Ltd.	---	---	1	Nil	Non-Executive Director liable to retire by rotation Sitting Fees to be paid for attending Meetings of the Board	Date of first appointment on the Board : 12.08.2015 Remuneration last drawn : Sitting Fee @ Rs. 10,000/- per Board meeting. No. of Board meetings attended during last year : 4 (four)
		Nahar Industrial Infrastructure Corpn. Ltd.	---	---				
		Vanaik Investors Ltd.	---	---				
		Nagdevi Trading & Investment Co. Ltd.	CSR	Member				
		J L Growth Fund Ltd.	---	---				
		Kovalam Investment & Trading Co. Ltd.	Audit Stakeholders Relationship Nomination & Remuneration	Member Member				
		Palam Motels Ltd.	---	---				
		Vanaik Spinning Mills Ltd.	---	---				
		Nahar Financial and Investment Ltd.	---	---				
		Abhilash Growth Fund Pvt. Ltd.	CSR	Member				
		Nahar Growth Fund Pvt. Ltd.	---	---				
		Monica Growth Fund Pvt. Ltd.	---	---				
		Ruchika Growth Fund Pvt. Ltd.	---	---				

By Order of the Board of Directors

sd/-

Place : Ludhiana
Date : 14th August, 2024

Mukesh Sood
Company Secretary



DIRECTORS REPORT

Dear Members,

Your directors have pleasure in presenting their 40th Annual Report together with the audited financial statements for the financial the year ended 31st March, 2024.

1. FINANCIAL RESULTS

The Company's financial performance for the year ended 31st March, 2024 is summarized below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Revenue from operations	147,176.18	177,387.37	147,176.18	177,387.37
Profits/(Loss) Before Depreciation, Finance Cost and Tax	8,790.01	18,825.79	8,790.01	18,825.79
Less: Depreciation	4,582.59	4,833.50	4,582.59	4,833.50
Less: Finance Cost	2,867.44	3,766.12	2,867.44	3,766.12
Profit/(Loss) Before Tax	1,339.98	10,226.17	1,339.98	10,226.17
Less: CSR expenses u/s 135 of Companies Act, 2013	189.57	116.09	189.57	116.09
Add : Share of Profit/(Loss) of Associates	--	--	27.09	(34.12)
Profit/(Loss) Before Tax	1,150.41	10,110.08	1,177.50	10,075.96
Less: Tax Expense				
(i) Current Tax	295.00	1,860.00	307.10	1,871.30
(ii) Deferred Tax	(106.27)	323.04	(102.76)	312.46
Profit/(Loss) After Tax for the period	961.68	7,927.04	973.16	7,892.20
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
i) Re-measurement gains/(losses) on defined benefit plans	145.18	83.39	145.18	83.39
Income tax effect on the same	(36.54)	(20.99)	(36.54)	(20.99)
ii) Net gain /(loss) on FVOCI equity instruments	1.41	(1.78)	1.41	(1.78)
Income tax effect on the above	--	--	--	--
Total Comprehensive Income for the period	1,071.73	7,987.66	1,083.21	7,952.82

2. PERFORMANCE REVIEW

The Company operates in two Business segments i.e. Textile and Sugar as per Indian Accounting Standard (AS)-108 (Operating Segment).

i) **Textile:** The textile division accounts for 85.81% (including inter-segment) of the total turnover of the company for the year ended 31st March, 2024. The Business wise performance of this segment is as under:

a. **Yarn:** The Company has produced 38464 MTs of yarn as against 39245 MTs in the previous year.

b. **Fabric:** The Company has produced 544.80 lacs meters of fabrics (both grey and processed) as against 504.93 lacs meters in the previous year.

The total turnover of this segment (Yarns and Fabrics) has decreased to Rs. 1262.86 crores

as against Rs. 1562.83 crores in the previous year showing a decrease of 19.19 %.

ii) **Sugar:** The Company has produced 4,54,200 Qtls. of sugar as against 4,31,230 Qtls. in the previous year at a Recovery rate of 10.23% (previous year 10.00%).

The total turnover of this segment has increased to Rs. 206.62 crores as against Rs. 205.61 crores in the previous year showing an increase of 0.49%.

Overall Performance (Standalone/Consolidated)

We wish to inform you that during the year under review on standalone basis, the company has achieved operational income of Rs. 1471.76 crores as against Rs. 1773.87 crores showing a decrease of 17.03% over the previous year. The company has earned Profit before depreciation, finance cost and tax of Rs. 87.90 crores as against Rs. 188.26 crores



in the previous year. After providing for Depreciation of Rs. 45.83 crores (previous year Rs. 48.33 crores), finance cost of Rs. 28.67 crores (previous year Rs. 37.66 crores) and Tax Expenses of Rs. 1.89 crores (previous year Rs. 21.83 crores) (inclusive of Deferred Tax) the Profit after tax for the year comes to Rs. 9.62 crores as against Profit of Rs. 79.27 crores in the previous year.

We wish to inform you that during the year under review on consolidated basis, the company has achieved operational income of Rs. 1471.76 crores as against Rs. 1773.87 crores showing a decrease of 17.03% over the previous year. The company has earned Profit before depreciation, finance cost and tax of Rs. 87.90 crores as against Rs. 188.26 crores in the previous year. After providing for Depreciation of Rs. 45.83 crores (previous year Rs. 48.33 crores), finance cost of Rs. 28.67 crores (previous year Rs. 37.66 crores), Share of Profit/(Loss) of Associates of Rs. 27.09 lacs (previous year Rs. (34.12) lacs) and Tax Expenses of Rs. 2.04 crores (previous year Rs. 21.84 crores) (inclusive of Deferred Tax) the Profit after tax for the year comes to Rs. 9.73 crores as against Profit of Rs. 78.92 crores in the previous year.

During Financial year 2023-24 an uncertain business environment prevailed in the Textile industry and it continues into the current financial year too. The subdued demand of textile products is a major concern for textile industry and this would affect the performance of the Company.

3. TRANSFER TO RESERVES

Your company has transferred Rs.1071.73 lacs [previous year Rs. 7987.66 lacs] to the General Reserves and thus company's Reserves (Other Equity) stand increased to Rs. 91744.88 lacs as on 31.03.2024 as against Rs. 90673.15 lacs as on 31.03.2023.

4. CREDIT RATING

During the year, the Rating agency CRISIL Limited vide its letter dated December 04, 2023 has accorded the Long Term Rating of total bank loans facilities 'CRISIL A-/Negative' and Short Term Rating 'CRISILA2+'.

5. DIVIDEND

In order to retain the profits of the company, your directors do not recommend any dividend for the financial year ended on 31st March, 2024. The

requirement of formulating a Dividend Distribution Policy as per Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the company.

6. INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provisions of the Companies Act, 2013 and rules framed there under, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid account is required to be transferred to Investor Education and Protection Fund (IEPF) of the Central Government. The Company has already transferred the amount of unclaimed dividend for the year 2015-16 to the IEPF. Members who have not yet en-cashed or claimed the dividends for the year 2016-17 are requested to refer to Note No. 7 of the Notice of AGM for updating the KYC details at the earliest and for claiming the dividend relating to aforesaid year.

In terms of the requirements of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('the Rules') the Company is required to transmit the Shares in respect of which the dividend has remained unpaid or unclaimed for a period of seven consecutive years to the IEPF Account. Members are requested to take note of the same and claim their unclaimed dividend immediately to avoid transmission of the underlying shares to IEPF Account. The shares transmitted to the IEPF Account can be claimed back by the concerned members from the IEPF authority after complying with the procedure prescribed under the rules.

7. SHARE CAPITAL

The paid up Share Capital of the Company as at 31st March, 2024 was Rs. 83,20,55,810/- consisting of Equity Share Capital of Rs. 43,20,55,810/- divided into 4,32,05,581 Equity Shares of the face value of Rs. 10/- each and Preference Share Capital of Rs. 40,00,00,000/- divided into 40,00,000 – 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of the face value of Rs. 100/- each (Preference Shares). During the year the Company has not issued any shares with differential voting right nor has granted any stock options or sweat equity. As



on 31st March, 2024 none of the Promoters / Directors of the Company hold instruments convertible into equity shares of the Company.

8. DEPOSITS

During the year, the Company has not accepted any deposit from the public. As such there are no outstanding deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements.

10. MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY

No changes and commitments affecting the financial position of the company have occurred during the year under review as well as the period between the end of financial year till the date of this report.

11. DIRECTORS

Appointment and change in Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association Sh. Dinesh Gogna (DIN: 00498670) and Sh. Navdeep Sharma (DIN: 00454285), Directors of the Company will be retiring by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment. Accordingly, the requisite resolution(s) are proposed at the ensuing Annual General Meeting for approval.

Declaration by Independent Directors

Necessary declaration has been obtained from all Independent Directors under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

Number of Meetings of the Board

During the year four Board Meetings were convened and held on 30.05.2023, 14.08.2023, 10.11.2023 and 10.02.2024. The detail thereof is also given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Board Evaluation

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has devised a policy for performance evaluation of the board, its committees and all the Directors individually as per the criteria laid down by the Nomination & Remuneration Committee of the Company. The manner of evaluation is stated in the Corporate Governance Report forming an integral part of this report.

Independent Directors Meeting

During the financial year 2023-24, the Independent Directors met on 16.12.2023, inter-alia, to discuss:-

- (i) The performance of Non-Independent Directors and the Board as a whole;
- (ii) The performance of the Chairman of the Company taking into account the views of Executive and Non Executive Directors and
- (iii) To assess the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties.

12. DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) and (5) of the Companies Act, 2013:-

- (i) that in the preparation of the Annual Accounts for the year ended on 31st March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that 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 as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- (iii) that the directors have taken proper and sufficient care 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;

- (iv) that annual accounts have been prepared on a going concern basis;
- (v) that 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; and
- (vi) that 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.

13. ANNUAL RETURN

The web-link for the Annual Return for the financial year 2023-24 in the Form MGT-7 is placed on the Company's website at http://www.owmnahar.com/nahar_ie/pdf/annual-return-2023-24.pdf

14. RELATED PARTY TRANSACTIONS

During the financial year under review, all transactions entered into with related parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are in the ordinary course of business and at arm's length basis. The company has not entered into any contract or arrangement with related parties / Group companies other than arm's length price. The details of Related Party Transactions are placed before the Audit Committee for its review and approval on quarterly basis. These transactions were entered into as per the Company's policy on Related Party Transactions and are approved by the Audit Committee, Board and shareholders. The company's policy on Related Party Transactions is available at the web link: www.owmnahar.com/nahar_ie/pdf/RPT_Policy.pdf. The details of Related Parties transactions are given in Note No. 38 of the Notes to Financial Statements. Pursuant to the provisions of section 134(3) Form AOC-2 is annexed herewith as **Annexure-A**.

15. AUDIT COMMITTEE

The Company has constituted an Audit Committee pursuant to Section 177(8) read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently, the Audit Committee of the Company

consists of Sh. Dinesh Gogna, Dr. Manisha Gupta, as Members and Dr. Roshan Lal Behl is the Chairman of the Audit Committee. The detailed information regarding Audit Committee and its terms of reference is given in Corporate Governance Report forming an integral part of the Directors Report.

16. NOMINATION & REMUNERATION COMMITTEE

The Company has constituted a Nomination & Remuneration Committee pursuant to Section 178(1) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Presently, the Nomination & Remuneration Committee consists of Dr. Suresh Kumar Singla and Dr. Roshan Lal Behl as Members and Dr. Yash Paul Sachdeva is the Chairman of the Nomination & Remuneration Committee. The detailed information regarding Nomination & Remuneration Committee and its terms of reference is given in Corporate Governance Report forming an integral part of the Directors Report.

17. RISK MANAGEMENT

The Company has laid down a Risk Management Policy and identified threat of such events which if occurs will adversely affect the ability of the company to achieve its objectives. Evaluation of business risk and managing the risk has always been an ongoing process in your company. The Audit Committee has also been delegated the responsibility for assessment, mitigation, monitoring and review of all elements of risks which the Company may be exposed to. The Board also reviews the risk management and minimization procedures.

18. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Board adopted a Vigil Mechanism/ Whistle Blower Policy as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013 to report genuine concerns or grievances about unethical behavior of employees, actual or suspected fraud or violation of the Company's Code of Conduct. The Company's Vigil mechanism/Whistle Blower Policy is available at the Company's website i.e. www.owmnahar.com.

19. INDIAN ACCOUNTING STANDARD (IND AS) AND INTERNAL FINANCIAL CONTROL



The Indian Accounting Standard (Ind AS) became applicable on the Company w.e.f. 1st April, 2016. Accordingly, the Financial Statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company is having adequate internal financial control systems and procedures which commensurate with the size of the Company. The Company is having Internal Audit Department which ensures optimal utilization and protection of Company's resources. The Internal Auditor monitors and evaluates the efficiency and adequacy of internal control systems in the company, its compliance with operating systems, accounting procedures and also ensures that the internal control systems are properly followed by all concerned departments of the company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

20. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year, the Company has complied with the applicable Secretarial Standards as prescribed under section 118 of the Companies Act, 2013.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

Other Information(s)

A. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

- As on the date of this report no case is pending against the company under section 9 of Insolvency and Bankruptcy code, 2016.
- During the year Hon'ble National Company Law Tribunal Chandigarh Bench, Chandigarh (NCLT, Chandigarh) vide order dated October 30, 2023 dismissed as withdrawn the application CP(IB) No. 167/Chd /Pb./2023 filed by Picadily Sugar, the operational creditor under section 9 of Insolvency and Bankruptcy code, 2016.

- During the current financial Hon'ble NCLT, Chandigarh vide order dated June 6, 2024 disposed of application CP(IB) No. 229/Chd /Pb./2020 filed by Mr. Vipin Garg, Proprietor, MNP Cotex, the operational creditor under section 9 of Insolvency and Bankruptcy code, 2016.

B. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

- Not applicable. During the financial year 2023-24 there is no instance that the Company has made any one time settlement with Banks or Financial Institutions.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee of the board in accordance with section 135 of the Companies Act, 2013. The Company has adopted a CSR Policy and undertaking CSR programmes/ projects along with group companies under one umbrella through Oswal Foundation (OSF) which is a registered society formed in 2006 having its charitable objects in various fields and registered with MCA vide registration No. CSR00000145. The CSR policy of the company has been placed on the Company's website at web-link www.owmnahar.com/nahar_ie/pdf/CSR_Policy_NIEL.pdf. The report on CSR activities as required under the Companies (Corporate Social Responsibility) Rules, 2014 including brief outline of the Company's CSR policy is annexed herewith marked as **Annexure-B**. During the year, two meetings of CSR committee were held on 14.08.2023 and 30.03.2024 and all the members were present in the meeting.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, for the financial year 2023-24 there is a CSR liability of Rs. 1,88,52,447/- on the Company for spending CSR expenses. The company has made compliance of the applicable provisions of the CSR obligation for the year.

23. NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of Nomination and Remuneration Committee, framed a policy for appointment and remuneration of



Directors, Key Managerial Personnel and Senior Management of the Company. The policy also lays down criteria for determining qualifications, positive attributes, independence of directors and other matters provided under section 178 of the Companies Act, 2013. The Nomination and Remuneration policy of the company is elaborated in the Corporate Governance Report forming an integral part of this report.

24. AUDITORS

i) Statutory Audit & Auditor's Report

The shareholders at their 38th Annual General Meeting (AGM) held on 26th September, 2022 had already approved the appointment of M/s. K.R. Aggarwal & Associates, Chartered Accountants, (Firm Registration No. 030088N) as statutory auditors of the Company, to hold office from the conclusion of 38th AGM up to the conclusion of 43rd AGM to be held in the year 2027. The Auditors Report on the accounts of the Company for the financial year 2023-24 is self-explanatory and requires no comments. No frauds were reported by the auditors under section 143 (12) of the Companies Act, 2013.

ii) Cost Auditor & Cost Audit Report

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its textiles and sugar segments are required to be audited. The Company has maintained accounts and cost records with respect to Textile and Sugar business as specified by the Government under Section 148(1) of the Companies Act, 2013. M/s. R.R. & Co., Cost Accountants (Firm Registration No. 000323) has carried out cost audit for applicable businesses during the year. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. R.R. & Co., Cost Accountants, Ludhiana to audit the cost accounts of the Company for the financial year 2024-25. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. R.R. & Co., Cost Accountants,

is included in the Notice convening the Annual General Meeting.

iii) Secretarial Audit & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company had appointed M/s. P.S.Bathla & Associates, a firm of Company Secretaries in Practice (C.P. No. 2585) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is attached as **Annexure-C** and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

25. KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013 Sh. Kamal Oswal, Vice Chairman-cum-Managing Director, Sh. Bharat Bhushan Gupta, Chief Financial Officer and Sh. Mukesh Sood, Company Secretary are the Key Managerial Personnel of the Company.

26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5(1), 5(2) and 5(3) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (as amended up to date) in respect of employees of the Company, forming part of the Directors' Report for the year ended 31st March, 2024 is given in **Annexure-D** to this Report.

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

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

28. CORPORATE GOVERNANCE REPORT

Your Company continues to follow the principles of good corporate governance. The corporate governance report along with Auditor's certificate regarding compliance of the conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming compliance is annexed herewith as **Annexure-F** and forms part of this Report.

**29. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the submission of Business Responsibility and Sustainability Report is not applicable to the company.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review as stipulated under the Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed herewith as **Annexure-G** and forms part of this Report.

31. ASSOCIATE / CONSOLIDATED FINANCIAL STATEMENT

As on 31st March, 2024 the company had four Associate Companies i.e. Atam Vallabh Financiers Limited, Vardhman Investment Limited, J L Growth Fund Limited and OWM Renew LLP, the accounts of which have been consolidated in accordance with the applicable Accounting Standards (Ind AS) and pursuant to Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. The audited consolidated financial statements are provided in the Annual Report. A statement containing salient features of financial statements of associate companies in Form AOC-1 is annexed with the financial statements. The financials of the associate companies is given below:-

i) Atam Vallabh Financiers Limited (AVFL)

The company holds 36.85% equity shares of AVFL. During the year, the revenue from operations of the company was Rs. 19.08 lacs as compared to Rs. 18.07 lacs in the previous year. The company has earned a net profit of Rs. 13.93 lacs as against a net profit of Rs. 13.15 lacs in the previous year.

ii) Vardhman Investment Limited (VIL)

The company holds 47.17% equity shares of VIL. During the year, the revenue from operations of the company was Rs. 20.20 lacs as compared to Rs. 18.76 lacs in the previous year. The company has earned a net profit of Rs. 14.64 lacs as against a net profit of Rs. 13.59 lacs in the previous year.

iii) J L Growth Fund Limited (JLGF)

The company holds 41.10% equity shares of JLGF. During the year, the revenue from operations of the company was Rs. 78.16 lacs as compared to Rs. 73.02 lacs in the previous year. The company has earned a net profit of Rs. 58.10 lacs as against a net profit of Rs. 54.17 lacs in the previous year.

iv) OWM Renew LLP

The company had made a contribution of 26% in OWM Renew LLP. During the year, the revenue from operations was Rs. 723.39 lacs as compared to Rs. 477.58 lacs in the previous year and a net loss of Rs. 80.51 lacs as against loss of Rs. 303.57 in the previous year.

32. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company is committed to create and maintain an atmosphere in which employees can work together, without any fear of exploitation. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2023-24 the company has not received any complaint on sexual harassment and hence no complaint remains pending as on 31st March, 2024.

33. INDUSTRIAL RELATIONS

Industrial relations throughout the year continued to be very cordial and satisfactory.

34. ACKNOWLEDGEMENT

Your directors would like to express their appreciation for the assistance and co-operation received from financial institutions, banks and shareholders. They also place on record their appreciation for the cooperation of employees at all levels.

For and on behalf of the Board of Directors

**Jawahar Lal Oswal
(DIN: 00463866)
Chairman**

**Place: Ludhiana
Date: 14th August, 2024**



ANNEXURE - A

Form No. AOC-2

(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/transactions entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of Approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
----- No Such Transaction -----							

2. Details of material contracts or arrangement or transactions (2023-24) at arm's length basis

(₹ In lacs)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of Approval by the Board	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
Oswal Woollen Mills Ltd	Purchase of Goods	2023-24	3035.69	At arm's length basis	
	Sale of Goods		2213.93		
	Purchase of Fixed Assets		448.07		
	Processing Charges received		2.32		
	Freight Income		317.02		
	Expenses Reimbursement received		408.82		
	Expenses Reimbursement paid		72.79		
	Sale of Fixed Asset		116.37		
	FMP/FMS Licence Sale		197.44		
Nahar Spinning Mills Ltd	Purchase of Goods	2023-24	1418.34	At arm's length basis	
	Sale of Goods		241.66		
	Processing Charges Received		186.16		
	Purchase of fixed assets		2800.00		
	Freight Income		53.89		
	Expenses Reimbursement received		86.69		
	Expenses Re-imburement paid		39.70		
Monte Carlo Fashions Ltd	Purchase of Goods	2023-24	17.99	At arm's length basis	
	Sale of Goods		395.08		
	Purchase of Fixed Assets		76.26		
	Processing Charges received		--		
	Expenses Reimbursement received		109.33		
	Expenses Reimbursement paid		2.53		
	Sale of fixed assets		--		
	Rent Received		305.93		
FMP/FMS License Sale	60.54				
OWM Renew LLP	Purchase of Goods	2023-24	716.19	At arm's length basis	
	Expenses Reimbursement received		3.57		
Hug Foods Pvt. Ltd.	Sale of Goods	2023-24	--	At arm's length basis	
	Interest paid		10.68		
	Expenses Reimbursement received		3.48		
	Loan Received		213.45		
	Loan paid		140.00		
OWM Poly Yarn Limited	Purchase of fixed assets	2023-24	--	At arm's length basis	
	Sale of Goods		302.42		
	Purchase of Goods		74.89		
	Sale of Fixed Assets		223.02		
	Purchase of fixed Assets				
	Freight Income		129.14		
	Processing charges received		32.73		
	Expenses re-imburement received		12.04		
	Expenses re-imburement paid		12.24		
Investment in Partly paid (preference share)	2000.00				
Oswal Foundation	CSR	2023-24	170.00	CSR	
Mr. Kamal Oswal	Rent Received	2023-24	15.00	At arm's length basis	
	Remuneration paid		951.67		
Mrs. Manisha Oswal	Remuneration Paid	2023-24	27.07	At arm's length basis	



Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of Approval by the Board	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
Mrs. Ishita Oswal	Remuneration Paid	2023-24	22.08	At arm's length basis	
Mr. Abhinav Oswal	Remuneration Paid	2023-24	202.40	At arm's length basis	
KMRA Associates LLP	Rent Received	2023-24	0.35	At arm's length basis	
Nagdevi Trading & Investment Co. Ltd.	Rent Paid	2023-24	20.00	At arm's length basis	

For and on behalf of the Board of Directors

**Place: Ludhiana
Date: 14.08.2024**

**Jawahar Lal Oswal
(DIN: 00463866)
Chairman**



ANNEXURE-B

Annual Report on Corporate Social Responsibility (CSR) Activities

1.	Brief outline on CSR Policy of the Company: Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee formulated the Corporate Social Responsibility Policy (CSR Policy) and the Board of Directors had approved the same on 14.11.2014. As per policy, the Company joined hands with group companies under one umbrella to undertake the CSR Projects through Oswal Foundation, which is a registered society formed in the year 2006 having its charitable objects in various fields. It has already been registered with MCA vide Registration No. CSR00000145 for undertaking CSR activities. The Board adopted the CSR Policy as recommended by CSR Committee. Under the CSR Policy, Company will broadly focus on medical relief and research, environment protection, promotion of education, social upliftment and any other activity as envisaged in the Companies Act. The CSR policy is also available on the Company's website at the weblink: http://www.owmnahar.com/nahar_ie/pdf/CSR_Policy_NIEL.pdf				
2.	Composition of the CSR Committee: The company has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act. The members of the CSR Committee are:-				
	Sr. No.	Name of the CSR committee Member	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
	1	Sh. Kamal Oswal	Chairman (Vice Chairman-cum- Managing Director)	2	2
	2.	Sh. Dinesh Gogna	Member (Non-Executive Director)	2	2
	3.	Sh. Suresh Kumar Singla	Member (Independent Director)	2	2
3.	Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.owmnahar.com/nahar_ie/about.Php www.owmnahar.com/nahar_ie/CSR_Policy_NIEL.pdf				
4.	Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable Not Applicable				
5.	(a) Average net profit of the company as per Sub-section 5 of Section 135:				Rs. 94,26,22,000/-
	(b) Two percent of average net profit of the company as per Sub-section 5 of Section 135:				Rs. 1,88,52,447/-
	(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years:				Nil
	(d) Amount required to be set off for the financial year, if any:				Nil
	(e) Total CSR obligation for the financial year [(b)+(c)+(d)]:				Rs. 1,88,52,447/-
6.	(a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing project):				Rs. 1,89,56,772/-
	(b) Amount spent in Administrative Overheads:				NIL
	(c) Amount spent on Impact Assessment, if applicable:				NIL
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)]:				Rs. 1,89,56,772/-
	(e) CSR amount spent or unspent for the financial year:				Rs. 1,89,56,772/-
	Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (Rs.)			
		Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (6) of section 135		
		Amount	Date of Transfer	Name of the Fund	Amount
		Date of transfer			
	Rs. 1,89,56,772/-	NIL	NIL	NIL	NIL



(f) Excess amount for set off, if any:		
Sr. No.	Particulars	Amount (in Rs.)
(i)	Two percent of the average net profit of the company as per sub-section 5 of section 135	Rs. 1,88,52,447/-
(ii)	Total amount spent for the Financial Year	Rs. 1,89,56,772/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Rs. 1,04,325/-
(iv)	Surplus arising out the CSR Projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	Rs. 1,04,325/-

Based on the recommendation of CSR Committee, the Company contributed an amount of Rs. 170.00 Lakhs to Oswal Foundation, a Registered Society with Registration No. CSR00000145 for undertaking Rural Development Project. The Foundation has undertaken construction of community hall, kitchen and rooms at main G.T. Road between Doraha and Khanna, Distt. Ludhiana, Punjab. The company has also spent CSR expenditure of Rs. 19.57 lakhs towards Healthcare, Animal Welfare and Sports activities/projects.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section 6 of section 135 (in Rs.)	Balance amount in Unspent CSR Account under sub-section 6 of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section 5 of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1.	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	NII
2.	2021-22	Nil	Nil	Nil	Nil	Nil	Nil	NII
3.	2022-23	Nil	Nil	Nil	Nil	Nil	Nil	NII

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial year

No capital assets created during the Financial Year 2023-24
 If yes, enter the number of capital assets created / acquired:
 Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:-

S. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property of asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity / authority / beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name
(1)	(2)	(3)	(4)	(5)	(6)	(7)

Not applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:
NOT APPLICABLE

Sd/-
 Kamal Oswal
 (DIN: 00493213)
 (Managing Director &
 Chairman – CSR Committee)

**ANNEXURE-C**

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDING 31st MARCH, 2024**

[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,
Nahar Industrial Enterprises Ltd.
Focal Point, Ludhiana-141010, Punjab

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Nahar Industrial Enterprises Ltd** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the company has, during the audit period covering the **financial year 1st April, 2023 to 31st March, 2024** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Nahar Industrial Enterprises Ltd** ("the Company") for the financial year ended on **31st March, 2024** according to the provisions of:
 - I. The Companies Act, 2013 (the Act) and the rules made there under;
 - 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 there under;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-
 - (a) The Securities and Exchange Board of India (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 as the Company has not issued further capital during the financial year under review**)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not Applicable as the Company has not issued any shares to directors/employees under the said guidelines/regulations during the year under review**)
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not Applicable to the Company during the Audit Period as there was no event in this regard**)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review**)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the Audit period as there was no event in this regard**)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (**Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review**)
- VI) Textiles (Development and Regulation) Order, 2001
- VII) Foods Safety and Standards Act, 2006

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



- (I) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015

I Report that during the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

2. I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices are given to all directors to schedule the Board Meetings and agenda, detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of Board of Directors and Committee of the Board, as case may be.

I further report that based on the information received and records maintained 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.

Place: Ludhiana
Date :14.08.2024
UDIN: F004391F000963646

For P S Bathla & Associates
Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No.1306/2021
SCO-6, Feroze Gandhi Market
Ludhiana

Note: This Report is to be read with my Letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To
The Members,
Nahar Industrial Enterprises Ltd.
Focal Point, Ludhiana-141010, Punjab

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I 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. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ludhiana
Date : 14.08.2024

For P S Bathla & Associates
Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No.1306/2021
SCO-6, Feroze Gandhi Market
Ludhiana



ANNEXURE-D

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), (2) and (3) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director/KMP to the median remuneration of the employees of the Company for the financial year 2023-24 is as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2023-24 (₹ in lacs)	% increase in Remuneration in the Financial year 2023-24	Ratio of remuneration of each Director/KMP to median remuneration of employees
1.	Sh. Jawahar Lal Oswal (Chairman)	*0.40	-33.33	0.23
2.	Sh. Kamal Oswal# (Managing Director)	951.67 (including commission & perks)	70.68	543.53
3.	Sh. Dinesh Oswal (Director)	*0.40	-20.00	0.23
4.	Sh. Abhinav Oswal# (Executive Director)	202.40 (including commission & perks)	6.50	115.60
5.	Sh. Dinesh Gogna (Director)	*0.40	-33.33	0.23
6.	Sh. Navdeep Sharma (Director)	*0.40	-33.33	0.23
7.	Sh. Suresh Kumar Singla (Director)	*0.40	-33.33	0.23
8.	Mrs. Manisha Gupta (Director)	*0.40	-33.33	0.23
9.	Dr. Roshan Lal Behl (Director)	*0.40	-33.33	0.23
10.	Sh. Parvinder Singh Pruthi (Director)	*0.40	-33.33	0.23
11.	Dr. Yash Paul Sachdeva (Director)	*0.40	25.00	0.23
12.	Dr. Anchal Kumar Jain\$ (Director)	*0.20	100.00	0.11
13.	Sh. Bharat Bhushan Gupta (Chief Financial Officer)	29.96	0.16	17.11
14.	Sh. Mukesh Sood (Company Secretary)	24.74	2.53	14.13

#Sh. Kamal Oswal and Sh. Abhinav Oswal were paid remuneration during the financial year 2023-24 as per resolution dated 26.09.2022 passed by the shareholders of the company.

*Sitting Fee paid for attending the Board Meetings.

\$Appointed as an Independent Director of the company w.e.f. 27.09.2023

(ii) The median remuneration of employees of the

company during the financial year 2023-24 was Rs. 1.75 lacs. In the financial year 2023-24, there was an increase of 5.84% in the median remuneration of employees.

(iii) There were 6850 permanent employees on the rolls of Company as on 31st March, 2024.

(iv) Average percentage increase made in the salaries of employees other than the Key Managerial Personnel in the last financial year i.e. 2023-24 was 0.44% whereas the increase in the Key Managerial remuneration for the same financial year was 64.55%.

(v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

(vi) Name of the top 10 employees in terms of remuneration drawn has been given hereunder:-

Sr. No.	Name and Designation	Gross Remuneration (Rs. In lacs)	Nature of Employment	Qualification and Experience	Date of Commencement of Employment	Age (in years)	Last Employment held
1.	Sh. Kamal Oswal* Managing Director	951.67	Contractual	B. Com 41 years	01.02.1998	62	Nahar International Ltd.
2.	Sh. Abhinav Oswal** Executive Director	202.40	Regular	B.B.A. 8 years	18.07.2016	31	----
3.	Sh. Bharat Bhushan Sharma, President (Marketing)	46.67	Regular	B. Tech (Textile) 36 years	13.08.2021	57	Bombay Rayon
4.	Sh. Rajesh Walia Vice President	31.88	Regular	M.Com, PGDCA 34 years	20.08.1990	54	----
5.	Sh. Som Garg, Vice President	30.07	Regular	FCA 38 years	04.04.1989	65	Oswal Agro Mills Ltd.
6.	Sh. Bharat Bhushan Gupta, Chief Financial Officer	29.96	Regular	FCA 45 Years	20.11.1979	67	----
7.	Sh. Satish Kumar Tyagi, Vice President	27.29	Regular	B.Tech 34 years	03.12.2009	59	Vardhman Group
8.	Mrs. Manisha Oswal*** President	27.07	Regular	Graduate 12 years	01.04.2012	59	----
9.	Sh. Ravi Kumar, General Manager	25.76	Regular	B. Tech 27 years	17.12.2022	53	Welspun Group
10.	Sh. Mukesh Sood Company Secretary	24.74	Regular	FCS 31 years	10.09.1999	57	Nahar Group

*Sh. Kamal Oswal is a relative of Sh. Jawahar Lal Oswal, Sh. Dinesh Oswal, Directors and Sh. Abhinav Oswal, Executive Director of the Company.

**Sh. Abhinav Oswal is a relative of Sh. Kamal Oswal, Vice Chairman-cum-Managing Director of the company.

***Mrs. Manisha Oswal is a relative of Sh. Kamal Oswal, Vice Chairman-cum-Managing Director and Sh. Abhinav Oswal, Executive Director of the company.

(vii) None of these employees is holding Equity Shares in the Company within the meaning of Rule 5(2)(iii) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

**ANNEXURE-E****Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo required under the Companies (Accounts) Rules, 2014****A) CONSERVATION OF ENERGY:**

- a) Measures taken for conservation of energy:
- i) Use of high efficiency motors and energy saving devices.
 - ii) Technical up-gradation and modernization of various machines.
 - iii) Organized training programmes on different aspect of energy conservation.
 - iv) Company has installed Biomass/multifuel Co-generation power plant at Lalru & Amloh, Punjab which enable the company to produce electricity at lower rate.
 - v) Re-arrangement of distribution system to avoid system load.
- b) Impact of measures consequent to (a) above: The above mentioned measures have resulted and subsequent reduction in energy cost and there by reduction in cost of production.

B) TECHNOLOGY ABSORPTION

- i) Efforts, in brief made, towards Technology Absorption, adoption and innovation : All efforts being made to adopt the technology. The Company has a team of well qualified and experienced Engineers who are committed to absorbing and adapting latest technology.
- ii) Benefit derived as a result of above efforts : Due to adoption of latest technology there has been improvement in quality.
- iii) Information regarding technology imported during the last five years : Nil
- iv) Expenditure on R & D

	Current Year	(₹ in Lacs) Previous Year
a) Capital	62.27	43.53
b) Recurring	19.52	12.65
Total	81.79	56.18

C) FOREIGN EXCHANGE EARNING & OUTGO:

	Current Year	(₹ in Lacs) Previous Year
i) Total foreign exchange earnings and outgo:		
Earnings (FOB Value of Exports etc.)	16,233.19	25,315.84
Outgo (CIF Value of Imports, expenditure in foreign currency and others payments)	1,618.05	3,016.14

For and on behalf of the Board of DirectorsPlace: Ludhiana
Date : 14.08.2024**Jawahar Lal Oswal**
(DIN : 00463866)
Chairman



CORPORATE GOVERNANCE REPORT

ANNEXURE-F

1. Company's Philosophy on Corporate Governance

It is Nahar Industrial Enterprises Ltd.'s (NIEL) firm belief that good corporate governance provides a basis by which the right and responsibilities amongst different participants in the organization are transparently known. It helps to ensure that the Company's objectives are well defined and performance against those objectives are adequately measured and monitored. Your company is committed to conduct business in accordance with the highest ethical standards which emerges from the application of the best management practices and compliance with the laws. Thus, we have adopted various codes and policies as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Some of these codes and policies are:

- Code of Conduct for Board and Senior Management
- Code of Conduct for Prohibition of Insider Trading
- Vigil Mechanism/ Whistle Blower Policy
- Policy for transaction with Related Parties
- Corporate Social Responsibility Policy
- Appointment and Familiarization Policy
- Nomination & Remuneration Policy.

2. Board of Directors

A. Information relating to Directors

- i. As on 31st March, 2024 the Board of NIEL consists of twelve directors. The Board has an optimum combination of Executive, Non-Executive and Independent Directors. Sh Jawahar Lal Oswal is non-executive chairman and the composition of the Board is in conformity with the Listing Regulations.
- ii. The Board met 4 (four) times during the period April, 2023 to March, 2024 on – 30.05.2023, 14.08.2023, 10.11.2023 & 10.02.2024 with a clearly defined agenda. The maximum time gap between two board meetings was less than 120 days.
- iii. The details relating to composition and categories of directors on the Board, their attendance at the Board Meeting during the year and at the last Annual General Meeting, Number of Directorship, Committee Membership and Chairpersonship (in Audit Committee & Stakeholder Relationship Committee) held by them in other public limited companies incorporated in India and also name of the listed companies in which holds directorship, as on 31.03.2024 are presented hereunder:

Name of Directors	Category of Director	Name of the Listed Companies in which also holds Directorship	Attendance Particulars		Directorship held in other Public Ltd. Companies/Committee Membership and Chairmanship/Chairpersonship		
			No. of Board Meetings Attended	Last AGM attended	Directorship	Committee Membership	Committee Chairmanship/ Chairpersonship
Sh. Jawahar Lal Oswal # (00463866)	Promoter Non Executive Director	Nahar Poly Films Limited Nahar Spinning Mills Limited Nahar Capital and Financial Services Limited Monte Carlo Fashions Limited	4	No	8	--	--
Sh. Kamal Oswal # (00493213)	Promoter Executive Director	Nahar Poly Films Limited Nahar Spinning Mills Limited Nahar Capital and Financial Services Limited Oswal Leasing Limited	3	Yes	8	1	--
Sh. Dinesh Oswal # (00607290)	Promoter Non Executive Director	Nahar Poly Films Limited Nahar Spinning Mills Limited Nahar Capital and Financial Services Limited	4	Yes	6	--	--
Sh. Abhinav Oswal # (07619099)	Promoter Executive Director	--	3	Yes	6	--	--
Sh. Dinesh Gogna (00498670)	Non Executive Director	Monte Carlo Fashions Limited Nahar Spinning Mills Limited Nahar Capital and Financial Services Limited Oswal Leasing Limited Nahar Poly Films Limited	4	Yes	8	8	2



Sh. Navdeep Sharma (00454285)	Non Executive Director	Kovalam Investment and Trading Co. Ltd.	4	Yes	8	2	--
Dr. Suresh Kumar Singla (00403423)	Independent Director	Monte Carlo Fashions Limited Kovalam Investment & Trading Co. Ltd	4	Yes	3	5	1
Dr. Manisha Gupta (06910242)	Independent Director	Nahar Spinning Mills Ltd. Nahar Poly Films Limited Nahar Capital and Financial Services Ltd. Monte Carlo Fashions Ltd. Oswal Leasing Limited	4	No	7	7	2
Dr. Roshan Lal Behl (06443747)	Independent Director	Nahar Spinning Mills Ltd. Nahar Poly Films Limited Nahar Capital and Financial Services Ltd. Monte Carlo Fashions Limited Oswal Leasing Limited	4	Yes	7	10	5
Sh. Ved Prakash Gaur * (02439897)	Independent Director		Nil	--	--	--	--
Sh. Parvinder Singh Pruthi (07481899)	Independent Director	Monte Carlo Fashions Limited	4	No	--	--	--
Dr. Yash Paul Sachdeva (02012337)	Independent Director	Nahar Spinning Mills Limited Nahar Capital and Financial Services Ltd.	4	Yes	2	--	--
Dr. Anchal Kumar Jain (09546925) **	Independent Director	Nahar Spinning Mills Ltd. Nahar Poly Films Limited	2	--	2	1	--

*Sh. Ved Prakash Gaur has resigned as Independent Director w.e.f. 15.07.2023.

** Dr. Anchal Kumar Jain, has been appointed as an Independent Director w.e.f. 27.09.2023.

B. Disclosure of relationships between the Directors inter-se (#)

Sh. Jawahar Lal Oswal, Sh. Kamal Oswal, Sh. Dinesh Oswal and Sh. Abhinav Oswal are related among themselves. None of the other director is related to any other director of the Company.

C. Shareholding of Non Executive Directors

Sr. No.	Name of the Directors	No. of Shares held
1.	Sh. Jawahar Lal Oswal	1000
2.	Sh. Dinesh Oswal	1000
3.	Sh. Navdeep Sharma	1

D. Details of Familiarisation Programme for Independent Directors

At the time of appointment of a director a formal letter of appointment is given to the appointee director which inter alia explains the role, functions, duties and responsibilities expected from him/her as a director of the Company. The Vice Chairman cum Managing Director also has a one to one discussion with the newly appointed directors to familiarise them with the Company's operations. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's Procedures and Policies. Directors are having access to all documents/ information needed for good understanding of the Company, its operations and the industry in which it operates. The Company has put in place a system to familiarize its Independent Directors with the Company which is available at the web link : http://www.ownnahar.com/nahar_ie/pdf/familiarization-policy.pdf.

E. Performance Evaluation

Pursuant to the provisions of Companies Act, 2013 and Listing Regulations, the Company has devised a policy for evaluation of Independent Directors, Board, its committees and other directors as per the criteria laid down thereunder. The performance evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and of the Non-independent Directors was carried out by the Independent Directors. The evaluation was carried out through a structured evaluation process i.e. Knowledge to perform the role; Time and level of participation; Performance of duties and level of oversight; and Professional conduct and independence. The Board was satisfied with the evaluation process and on the basis of performance evaluation approved the terms of appointment of Independent Directors.

F. Remuneration to Directors

All the non-executive directors receive sitting fee for attending the Board Meetings. Sh. Kamal Oswal, Vice-Chairman-Cum-Managing Director and Sh. Abhinav Oswal, Executive Director, receives salary, Commission, allowances, perquisites as approved by the Nomination and Remuneration Committee, Board of Directors and Shareholders. There has been no materially pecuniary relationship or transaction between the Company and its



Directors in the financial year under review. The details of remuneration paid to the directors for the financial year 2023-24, are given below:

(Amount In Rs)

Name of the Directors	Sitting Fee	Salary, Allowance & Perquisites	Performance Incentives	Commission	Total
Sh. Jawahar Lal Oswal	40000/-	Nil	Nil	Nil	40000/-
Sh. Kamal Oswal	Nil	91167160/-	Nil	4000000/-	95167160/-
Sh. Dinesh Oswal	40000/-	Nil	Nil	Nil	40000/-
Sh. Abhinav Oswal	Nil	18240000/-	Nil	2000000/-	20240000/-
Sh. Dinesh Gogna	40000/-	Nil	Nil	Nil	40000/-
Sh. Navdeep Sharma	40000/-	Nil	Nil	Nil	40000/-
Sh. Suresh Kumar Singla	40000/-	Nil	Nil	Nil	40000/-
Mrs. Manisha Gupta	40000/-	Nil	Nil	Nil	40000/-
Sh. Roshan Lal Behl	40000/-	Nil	Nil	Nil	40000/-
Sh. Parvinder Singh Pruthi	40000/-	Nil	Nil	Nil	40000/-
Dr. Yash Paul Sachdeva	40000/-	Nil	Nil	Nil	40000/-
Dr. Anchal Kumar Jain *	20000/-	Nil	Nil	Nil	20000/-

* Appointed Director of the Company during the financial year 2023-24.

G. Information to the Board

The Board has complete access to all information with the Company. The agenda papers are presented to the Board or directly tabled at the Board Meeting to facilitate meaningful deliberation on issues concerning the Company.

H. Code of Conduct

NIEL's Board has laid down a code of conduct for all board members and senior management of the Company. All Board members and designated senior management personnel affirm compliance with this code of conduct. The code of conduct is displayed on the website of the Company at the weblink: http://www.owmnahar.com/nahar_ie/pdf/Code_of_Conduct_NIEL.pdf. A declaration to this effect signed by Sh. Kamal Oswal, Vice Chairman-cum-Managing Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management an affirmation that they have complied with the Code of Conduct in Financial Year 2023-24.

Kamal Oswal
Vice Chairman cum
Managing Director
(DIN: 00493213)

Place : Ludhiana
Dated : 14.08.2024

I. Chart or a Matrix setting out the area of Skills/Expertise/Competencies of the Board of Directors

The following skills/expertise/competencies required in the context of Companies business have been identified by the Board for it to function effectively i.e. i) Industry Knowledge, ii) Leadership, iii) Business Strategy, Planning and Corporate Management iv) Legal and Risk Management, v) Corporate Governance and Risk Management vi) Financial Knowledge vii) Information Technology.



Name of Director	Industry Knowledge	Leadership	Business Strategy, Planning and Corporate Management	Legal and Risk Management	Corporate Governance and Risk Management	Financial Knowledge	Information technology
Sh. Jawahar Lal Oswal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Kamal Oswal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Dinesh Oswal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Abhinav Oswal	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Dinesh Gogna	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Navdeep Sharma	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Suresh Kumar Singla	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Manisha Gupta	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Roshan Lal Behl	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sh. Pervinder Singh Pruthi	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dr. Yash Pal Sachdeva	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Dr. Anchal Kumar Jain	Yes	Yes	Yes	Yes	Yes	Yes	Yes

J. Confirmation from Independent Director/Board of Directors in context to Independent Directors:

Pursuant to Clause C(2)(i) of Schedule V read with Regulations 34(3) of Listing Regulations, in the opinion of the Board all the Independent Directors fulfil the conditions required for independent directors as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act 2013 are independent of the management.

K. 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:

During the year under review an Independent Director of the Company namely Sh. Ved Prakash Gaur has resigned before the expiry of his tenure due to his pre-occupation. Information in this regard has given to the Stock Exchanges and MCA.

3. Board Level Committees

The Board of Directors of the Company has constituted various committees to deal with specific areas which concern the Company. These committees are formed as per the provisions of applicable laws and play an important role in management and governance of the Company. The Board has currently the following committees:

A. Audit Committee

The Company has formed an Audit Committee of the Board of Directors of the Company. The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and SEBI (LODR). As on 31.03.2024, the committee consisted of three non-executive Director namely Sh. Dinesh Gogna, Dr. Roshan Lal Behl & Dr. Manisha Gupta. Dr. Roshan Lal Behl, an independent non-executive director is the Chairman of the Committee. All committee members have requisite experience in the field of finance and are well versed in financial and accounting matters. Mr. Bharat Bhushan Gupta, Chief Financial Officer and Mr. Mukesh Sood, Company Secretary are invitees to the Committee Mr. Mukesh Sood also acts as Secretary to the Audit Committee.

The Committee met 4 (four) times during the period April 2023 to March, 2024 i.e. 30.05.2023, 14.08.2023, 10.11.2023 & 10.02.2024 and the attendance of each member is as under:



Name of the Members	Status	Category	No. of Meetings Held	No. of meetings Attended
Sh. Dinesh Gogna	Member	Non-executive Director	4	4
Dr. Roshan Lal Behl	Chairman	Independent Non-executive Director	4	4
Dr. Manisha Gupta	Member	Independent Non-executive Director	4	4

Terms of Reference:

The Audit Committee inter alia review the financial reporting system, internal control system, discussion on quarterly, half yearly and annual financial results (standalone & consolidated), interaction with statutory, internal and cost auditors and recommendation for the appointment and remuneration of statutory, internal and cost auditors, Management Discussions and Analysis, review of Internal Audit Reports, Related Party Transactions and carrying out any other functions as is mentioned in the terms of reference of the Audit Committee as per Companies Act, 2013 and SEBI (LODR). In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The Audit Committee also oversees and reviews the functioning of Vigil Mechanism/ Whistle Blower Policy.

B. Nomination and Remuneration Committee

The composition of Nomination and Remuneration Committee of the Company is as per the provisions of section 178 of the Companies Act, 2013 and SEBI (LODR). As on 31.03.2024, the Committee consisted of three independent non-executive directors namely Sh. Yash Paul Sachdeva, as Chairman, Sh. Suresh Kumar Singla and Dr. Roshan Lal Behl as members. Sh. V P Gaur, has resigned from the directorship of the Company w.e.f 15.07.2023. He was member of the Nomination and Remuneration Committee also. Accordingly, he has also ceased as member of the Nomination and Remuneration Committee. The Committee met on 14.08.2023 & 10.11.2023 in the Financial year 2023-24 and all the members were present in the meeting.

The role of Nomination and Remuneration Committee is:

- to determine/ recommend the criteria for appointment and remuneration of Executive, Non-Executive and Independent Directors to the Board;
- to determine/ recommend the criteria for qualifications, positive attributes and independence of Director;
- to formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole;
- and other matters as provided under Companies Act, 2013 and Listing Regulations.

C. Stakeholders Relationship Committee

The composition of Stakeholders Relationship Committee of the Company is as per the provisions of section 178 of the Companies Act, 2013 and SEBI (LODR). The Committee reviews redressal of shareholders and investors complaints like non receipt of dividend on shares, non receipt of shares whether in demat or physical form, non receipt of annual report etc., besides complaints received from SEBI, Stock Exchanges, Court and various investor forums. The Committee also oversees the performance of Registrar and Transfer Agent i.e. Alankit Assignment Limited. As on 31.03.2024, the Stakeholder's Relationship Committee consisted of directors namely Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. Suresh Kumar Singla. Sh. Mukesh Sood, Company Secretary and Compliance Officer act as Secretary to the Committee.

The Committee met 4 (four) times during the period April 2023 to March, 2024 i.e. 30.05.2023, 14.08.2023, 10.11.2023 & 10.02.2024 in the financial year 2023-24 and the attendance of each member is as under:

Name of the Members	Status	No. of Meetings Held	No. of Meetings Attended
Sh. Kamal Oswal	Member	4	3
Sh. Dinesh Gogna	Chairman	4	4
Sh. Suresh Kumar Singla	Member	4	4

**Status of Shareholder's queries/grievance**

	Pending at the beginning of the year	Received and redressed during the year	Pending at the end of the year
Status of Shareholder's queries/grievance	Nil	5	Nil

D. CSR Committee

The Company has constituted a CSR committee pursuant to the requirements of section 135 of the Companies Act, 2013. Presently the committee consisting of Sh. Kamal Oswal, Chairman, Sh. Dinesh Gogna and Sh. Suresh Kumar Singla as members. The Board has approved a policy on Corporate Social Responsibility which is available at the official website of the Company. Information regarding CSR is mentioned in the Director's Report. The committee met on 14.08.2023 & 30.03.2024 during the financial year 2023-24.

E. Risk Management Committee

The constitution of Risk Management Committee is not applicable to the Company as per Regulation 21 of SEBI (LODR). As it is applicable to the top 1000 listed entities. However, the Company has laid down 'Risk Management Policy' and identified threat of such which if overruns will adversely affect the ability of the Company to achieve objective.

4. General Body Meeting

The details of the last three Annual General Meetings are as under:

Financial Year	Location	Date	Time	No. of Special Resolutions
2020-21	Through Video conferencing/ other audio visual means	29.09.2021	02:30 P.M.	1
2021-22	Through Video conferencing/ other audio visual means	26.09.2022	11:45 A.M.	4
2022-23	Through Video conferencing/ other audio visual means	27.09.2023	12:30 P.M.	2

No Special Resolution was passed during the year through postal ballot.

5. Means of Communication

The Company's quarterly results and annual results are approved and taken on record by the Board within the prescribed time and sent immediately to BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE). These results are published in newspapers i.e. Financial Express (English) and Desh Sewak (Punjabi). These results are also posted on the Company's website at: www.owmnahar.com. The shareholding pattern and all other corporate communication are intimated to stock exchanges, well in time. The information is also filed electronically with NSE through NEAPS Portal and BSE electronic listing portal. A separate dedicated section under the tab "Investor Relations" has been created at the Company's website which gives the information on compliances with the stock exchanges and other relevant information of interest to the investors/ public. Various Policies & Codes as required to be posted at the Company's website as per the requirements of applicable laws are available under the section of "Policies and Codes".

6. Presentations made to institutional investors or to the analysts:

Whenever any presentation about Company's working is made / to be made to the Financial Institutional Investors or to the Analyst, the same is displayed on the Company's Website i.e. www.owmnahar.com.

7. General Shareholder's Information

- | | |
|---|---|
| i. Annual General Meeting
Day, Date, Time and Venue | Friday, 27th Day of September, 2024 at 11:45 A.M. through Video conferencing/other audio visual means at the Registered Office at Focal Point, Ludhiana - 141010 (Punjab) |
| ii. Financial Year | April to March
Financial Results for the financial year 2024-25 will be announced tentatively in |



July-August, 2024	First Quarter Results
October-November, 2024	Second Quarter Results
January-February, 2025	Third Quarter Results
April-May 2025	Fourth quarter & Annual audited results.

iii. Book Closure

21.09.2024 to 27.09.2024 (both days inclusive).

iv. Dividend

The Board of Directors has not recommended any dividend for the financial year ended 31.03.2024.

Unclaimed/Unpaid Dividend

The Company had paid dividend @ 10% on equity shares of the Company for the financial year 2016-17. Members who have not claimed the dividend for the aforesaid period may approach to the Share Department of the Company.

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid dividend account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company to the Investor Education Protection Fund (the IEPF) a fund established under sub section (1) of section 125. The details of unclaimed / unpaid dividend are available on the website of the Company viz www.ownahar.com. The company has already sent Individual notice to the shareholders of the Company who have not claimed their dividend.

Unpaid/unclaimed dividend pertaining to the financial year 2016-17 is due to be transferred in the financial year 2024-25.

Details of Unpaid/Unclaimed dividend:

Financial Year	Due date for transfer to IEPF
2016-17	02.11.2024

Mandatory Transmission to Demat Account of Investor Education and Protection Fund Authority (IEPFA)

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education Protection Authority (IEPFA).

Upon transmission of such shares, all benefits (like bonus shares etc.) if any, accruing on such shares shall also be credited to such Demat account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. The list of members whose shares have been transmitted to IEPF Authority is displayed on the website of the Company at weblink : http://www.ownahar.com/nahar_ie/transfer-of-equity-shares.php. The company has already sent Individual notice to the shareholders of the Company who have not claimed their dividend.

Shares which are transmitted to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.



v. Listing on Stock Exchange

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

The equity shares of the Company are listed at:

1. BSE Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.
2. National Stock Exchange of India Ltd. (NSE), Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051

Annual Listing Fees for the financial year 2024-25 has already been paid to both the stock exchanges.

vi. Stock Code

BSE – **519136**, NSE – **NAHARINDUS**, ISIN- **INE289A01011**

vii. **Distribution of Shareholding as on 31.03.2024**

No. of Shares held	No. of Shareholders	% of shareholders	Aggregate Shares held	% of Shareholding
1-500	37795	94.21	3253860	7.53
501-1000	1246	3.11	953331	2.21
1001-2000	527	1.31	789516	1.83
2001-3000	168	0.42	427275	0.99
3001-4000	95	0.24	342927	0.79
4001-5000	66	0.16	306856	0.71
5001-10000	119	0.29	885188	2.05
10001 & above	104	0.26	36246628	83.89
Total	40120	100.00	43205581	100.00

viii. **Shareholding Pattern as on 31.03.2024**

Shares held by	No. of Shares	% of shareholding
Promoters	30781065	71.24
Mutual Funds & UTI	13173	0.03
Bank & Financial Institutions	137	0.00
Insurance Companies	125885	0.29
Foreign Holding (NRIs)	250261	0.58
Foreign Portfolio Investor	65681	0.15
Private Bodies Corporate (Others)	276840	0.64
IEPF Authority	2165616	5.01
Indian Public	9526923	22.06
Total	43205581	100.00

ix. **Dematerialisation of Shares**

As on 31.03.2024, 97.66% of equity share capital is held in dematerialized form under **ISIN-INE289A01011**.

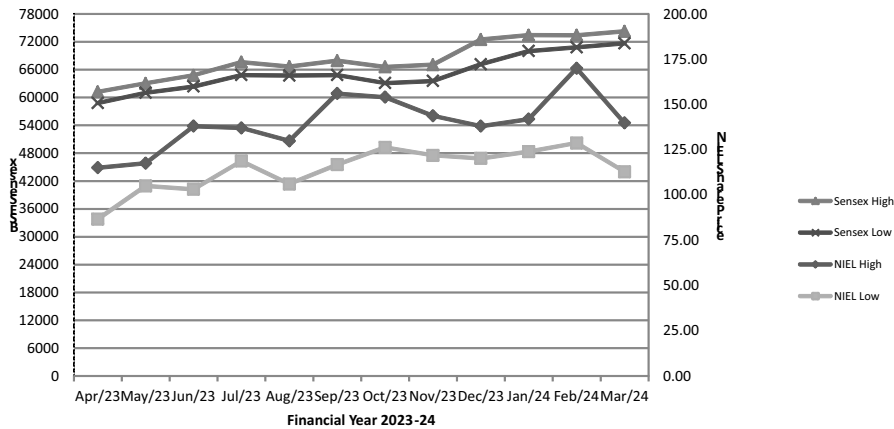
**x. Outstanding GDRs/ADRs/Warrants/Options or any other convertible instruments**

The Company has not issued any GDRs/ADRs/Warrants during the year.

xi. Stock Market Data :

Month	NSE		BSE	
	High	Low	High	Low
April-2023	114.90	91.20	115.04	86.60
May-2023	118.00	104.05	117.50	105.00
June-2023	138.00	106.00	138.00	103.15
July-2023	137.80	118.50	137.00	118.75
August-2023	128.45	105.60	129.85	106.05
Sept. – 2023	156.40	116.20	156.00	116.70
October-2023	154.90	125.95	154.00	126.25
November-2023	143.35	124.00	143.70	121.85
December-2023	138.20	120.00	138.00	120.20
January-2024	142.00	123.00	141.90	123.95
February-2024	161.90	128.10	169.95	128.70
March-2024	139.20	113.00	139.80	112.80

Source: The aforesaid information has been downloaded from the websites of NSE and BSE. The Company has no other source for verification of data.

xii. Stock Performance vis-à-vis Index**xiii. Investor Correspondence**

Investor correspondence should be addressed to:

Share Transfer Agent

Alankit Assignments Ltd.

Alankit Heights, 1E/13, Jhandewalan Extension,
New Delhi 110055

Phone: 011-4254 1234

Fax No.: 011-42541201, 23552001

E-mail: rta@alankit.com

Company Secretary

Nahar Industrial Enterprises Ltd.

Regd. Office: Focal Point, Ludhiana – 141010

Phone : 0161-5064200, 5083215/216

Fax No.: 0161-2674072

Email : msood@owmnahar.com

share@owmnahar.com

xiv. Share Transfer System

In accordance with the proviso to Regulation 40(1) of the SEBI (LODR) , effective from April 01, 2019, transfers



of shares of the Company shall not be processed unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

As required under Regulation 40(9) of the SEBI (LODR) Regulations, 2015, a certificate is obtained on Annual basis from a Practicing Company Secretary within one month from the end of the financial year certifying that all certificates has been issued within 15 days of their lodgment for transfer, transmission, transposition, sub-division, consolidation, renewal and exchange or endorsement. The certificate is forwarded to BSE and NSE where the Equity Shares of the Company are listed.

xv. Mandatory furnishing/ updating of PAN, KYC details and Nomination by holders of physical securities (Equity Shares)

SEBI vide its Master Circular No. SEBI/HO/MIRSD/MIRSD Pod-1/P/CIR/2023/70 dated May 17, 2023 (the "SEBI Circulars") has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company. The Company has issued a letter alongwith all the relevant formats to all the physical shareholders on 01.05.2023 for providing the relevant information/documents to RTA in compliance of the said SEBI Circular.

xvi. Service of Documents through electronic mode

As a part of Green initiative, the Company sends documents such as Notice of the General Meeting, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of the shareholders. To support this green initiative in full measure, shareholders are requested to register/ update their latest e-mail addresses with their Depository Participants (DP) with whom they are having demat Accounts or in case of physical holding submit Form ISR-1 prescribed by SEBI for KYC details including emails, SH-13 for nomination mandated by SEBI.

xvii Commodity price risk or foreign exchange risk and hedging activities

The Company is in the business of Yarns, Fabrics and Sugar. The Company has not dealt in any commodity market and thus there is no commodity price risk. To cover itself from exchange rate fluctuations with respect to export of its products, the company does partial hedging by normal booking in the normal course of the business. The Company is not involved in any speculative activities.

xviii Credit Ratings:

CRISIL has assigned long-term rating CRISIL A-/Negative and Short Term CRISIL A2+ for the Total Bank loan facilities of Rs. 1000 crore.

xix In case the securities are suspended from trading, reason thereof:

The Company's securities have not been suspended from trading during the year under review.

xx. Plant Locations

- i) Nahar Industrial Enterprises Ltd. (Unit: Arham Spinning Mills) Vill. Udaipur/Khijuriwas, Bhiwadi, Dist. Alwar (Rajasthan)
- ii) Nahar Industrial Enterprises Ltd. (Spinning Unit-I, II, IV) Vill. Jalalpur, Chandigarh-Ambala Road, Lalru, Distt. Mohali (Punjab).
- iii) Nahar Industrial Enterprises Ltd. (Fabrics Unit) Village Jalalpur, Chandigarh-Ambala Road, Lalru, Distt. Mohali (Punjab)
- iv) Nahar Industrial Enterprises Ltd. (New Process & Dyeing) Village Jalalpur, Chandigarh-Ambala Road, Lalru, Dist. Mohali (Punjab)
- v) Nahar Industrial Enterprises Ltd. (Unit: Nahar Sugar) Village Salana Jeon Singh Wala, Tehsil Amloh, Distt. Fatehgarh Sahib (Punjab)
- vi) Nahar Industrial Enterprises Ltd. (Unit: Nahar Logistics), Focal Point, Ludhiana 141010
- vii) Nahar Industrial Enterprises Ltd GARMENT UNIT, Focal Point Road, Focal Point, Ludhiana, Ludhiana, Punjab, 141010

**7. Disclosures****i. Nomination and Remuneration Policy****Introduction**

The Nomination and Remuneration Policy (the “Policy”) of Nahar Industrial Enterprises Limited (the “Company”) has been formulated in compliance of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter referred as “Listing Regulations”. The policy deals with appointment and remuneration of Directors, Key Managerial Personnel and Senior Management. The Policy has been recommended by the Nomination and Remuneration Committee (the “Committee”) and approved by the Board of Directors (the “Board”) of the Company.

Purpose of the Policy

The purpose of the policy is to

- i. lay down the criteria to identify persons who are qualified to become directors and who may be appointed in senior management and key managerial personnel and to determine their remuneration
- ii. evaluate the performance of each director, Board and its committees
- iii. formulate the criteria for determining qualifications, positive attributes and independence of a director
- iv. devise a policy on diversity of Board of Directors.

Appointment Policy

The Company recognizes the benefits of having a diverse Board as an essential element in maintaining a competitive advantage in the business in which it operates. In this process the Nomination and Remuneration Committee/ Board will take into consideration person of eminence, standing and knowledge with significant achievements in business, professions or public service; their financial or business literacy; other appropriate qualification or experience to meet the objectives of the Company; and as per the provisions of the Companies Act, 2013, rules made thereunder and the Listing Regulations.

Directors including independent director shall be a person, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; perform his duties and responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices. An Independent director should meet the requirements of the Companies Act, 2013 and Listing Regulations concerning independence of directors.

The Nomination and Remuneration Committee also recommend the appointment of Key Managerial Personnel and Senior Management. While selecting and recommending any candidate at this position, the Committee takes in to consideration the merits, qualification, experience, expertise his ability to effectively discharge their duties and responsibilities.

Remuneration Policy

The remuneration package of the Company ensures that:

- i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.
- ii. the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iii. the balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Board on the recommendation of the Committee reviews and approve the remuneration payable to the Managing Director/ Whole-time Director and Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013, the limits approved by the shareholders and the individual and corporate performance in recommending and approving the remuneration to the Managing Director/ Whole-time Director and Key Managerial Personnel.

The Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing/ Whole-time Director) and Senior Management, and which shall be decided by the Managing Director based on



the standard market practice and prevailing HR policies of the Company.

The remuneration/ sitting fees, as the case may be, to the Non-Executive Directors/ Independent Directors, shall be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder for the time being in force or as may be decided by the Committee/ Board/ Shareholders. An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and Listing Regulations, as amended from time to time.

Review and Amendment

The Committee or the Board may review the policy as and when it deems to be necessary. Any subsequent amendment/ modification in the SEBI (LODR) and/ or other applicable laws in this regard shall be applicable to this Policy. The policy has been placed on the website of the Company http://www.owmnahar.com/nahar_ie/pdf/nomination-and-remuneration-policy.pdf

ii. Accounting Treatment in Preparation of Financial Statements

The Company has adopted Indian Accounting Standards (Ind AS) and accordingly, the financial statements have been prepared in accordance with the Companies (Indian Accounting Standard) Rules, 2015 as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and the other accounting principles generally accepted in India. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

iii. Disclosure on Materially Significant Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Listing Regulations during the financial year were in the ordinary course of business and are at arm's length basis. These transactions were entered into as per the Company's Policy on Related Party Transactions. The company's policy on Related Party Transactions is available at the company's weblink at www.owmnahar.com/nahar_ie/pdf/NIEL_RPT_Policy.pdf. As required by the Indian Accounting Standard (Ind AS) the details of related party transactions are given in Note No. 38 of the notes to Financial Statement. Members in their 38th Annual General Meeting have accorded their approval for all existing transactions entered, and transactions entering into and / or continuing to enter into transactions with Oswal Woollen Mills Ltd, the Related Party under Regulation 2(1)(zb) of the SEBI (LODR) for Sale and Purchase of goods, rendering of Services and other transactions as mentioned in section 188 of the Companies Act, 2013 and rules made thereunder, carried/to be carried on arm's length basis in the ordinary course of business on such terms and conditions as may be mutually agreed for a period starting from 1st April, 2022 till the date of 43rd Annual General Meeting of the Company to be held in the year 2027 as per the amended provisions of Regulations 23(i) of SEBI (LODR). No transaction with the related party undertaken during the year considered to be material.

iv. Details of non compliance by the Company

NIEL has complied with all the mandatory requirements of the Corporate Governance. No penalties/stricture was imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

v. Whistle Blower Policy/ Vigil Mechanism

The Board has adopted a Whistle Blower Policy/ Vigil Mechanism as per SEBI (LODR) and section 177 of the Companies Act, 2013, to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct. The Company's Vigil Mechanism/ Whistle Blower Policy is available at its official weblink at www.owmnahar.com/nahar_ie/pdf/Vigil_Machanism_NIEL.pdf. The mechanism provides adequate safeguards against the victimisation of whistle blower and none of the personnel of the company has been denied access to the Audit Committee.

vi. Policy to Determine Material Subsidiary

The Company does not have any subsidiary as defined under SEBI (LODR).

vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

During the year 2023-24, the company has not raised funds through preferential allotment etc.

**viii Certification from Company Secretary in Practice:**

Mr. P.S. Bathla, Proprietor of M/s. P.S. Bathla & Associates, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such other authority. The certificate is attached

ix Recommendation of Committees:

In the financial year 2023-24 the board has accepted all recommendations of its Committees.

x. Dividend Distribution Policy:

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires that top 1000 listed entities based on market capitalization shall formulate a dividend distribution policy. Your Company does not fall in top 1000 list of listed entities hence the requirement to formulate a dividend distribution policy is not applicable to the Company.

xi Compliance of Regulation 25(10) of SEBI (LODR)

Regulation 25(10) of SEBI (LODR) regarding Directors and officers liabilities insurance policy is not applicable to the Company, as it is applicable to the top 1000 listed entities. For ensuring good corporate governance the Company has taken policy as Directors and Officers Liability Insurance – Non SEC Policy (D & O Insurance).

xii Compliance of Regulation 34(2)(f) of SEBI (LODR)

Regulation 34(2) (f) of SEBI (LODR) regarding Business Responsibility and Sustainability Report is not applicable to the Company.

xiii NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:

The Company has complied with all the requirements of Corporate Governance Report as required in Part C of Schedule V of SEBI LODR Regulations, 2015.

xiv DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS AS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(i)(b) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

The Company has complied with all the Corporate Governance requirements as specified in Regulation 17 to 27 (except Regulation 21 and 24, which are not applicable to the Company) and Regulation 46 (2) (i) (b) of SEBI LODR Regulations, 2015

xv Compliance with Corporate Governance

The Company is fully compliant with the applicable mandatory requirements of Listing Regulations and also partial compliant of non mandatory requirements. The Company may also take up the non mandatory requirements of Part E of Schedule II of Listing Regulations in due course of time.

xvi Disclosure In Relation Of Sexual Harassment Of Women At Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The details of complaints are as under:

No. of complaints filed during the financial year	: Nil
No. of complaints disposed off during the financial year	: Nil
No. of complaint pending as on end of the financial year	: Nil

xvii Fees paid to Statutory Auditors:

The total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditors is a part is Rs. 12.79 lacs which includes Audit Fees,



Certification charges and reimbursement of expenses during the year 2023-24.

xviii Disclosure with respect to Demat Suspense Account/ Unclaimed Suspense Account

The Company has opened an Unclaimed Securities Suspense Escrow Demat account with Stock Holding Corporation of India Limited as per SEBI guidelines.

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: NotApplicable

All the shares of the Company has already been allotted to the eligible allottees, hence there is no demat suspense account/ unclaimed suspense account.

xix Disclosure regarding loans and advances

The company has not given any loan and advances to firms / companies in which its director are interested.

For and on behalf of the Board of Directors

**Place : Ludhiana
Dated : 14.08.2024**

**Jawahar Lal Oswal
(DIN: 00463866)
Chairman**

**CEO/CFO CERTIFICATION**

As required by Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, we have certified to the Board that for the financial year ended 31st March, 2024 the Company has complied with the requirements stated thereunder.

For Nahar Industrial Enterprises Limited

Place : Ludhiana
Dated: 30.05.2024

Kamal Oswal
(DIN: 00493213)

Bharat Bhushan Gupta
Chief Financial Officer

Vice Chairman-cum-Managing Director

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(Pursuant to Clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

To

The Members
M/s Nahar Industrial Enterprises Ltd
Ludhiana

I have examined the relevant records of **M/s NAHAR INDUSTRIAL ENTERPRISES LTD** for the purpose of certifying compliance of requirements in Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March, 2024.

On the basis of disclosures / declarations received from the Directors and taken on record by the Board of Directors and according to the verifications (including DIN Status of Directors at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company. I hereby certify that none of the twelve Directors on the Board of the Company as stated below for the Financial Year ended as on 31st March, 2024, has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI / Ministry of Corporate Affairs or any such other statutory authority.

Sl.No.	Name of Director	DIN	Date of appointment in Company	Cessation
1.	Mr. Jawahar Lal Oswal	00463866	14/10/1991	
2.	Mr. Kamal Oswal	00493213	27/09/1983	
3.	Mr. Dinesh Oswal	00607290	15/12/1988	
4.	Mr. Abhinav Oswal	07619099	14/08/2020	
5.	Mr. Dinesh Gogna	00498670	27/09/1983	
6.	Mr. Navdeep Sharma	00454285	12/08/2015	
7.	Mr. Suresh Kumar Singla	00403423	26/09/2017	
8.	Ms. Manisha Gupta	06910242	14/08/2020	
9.	Mr. Roshan Lal Behl	06443747	14/08/2020	
10.	Mr. Parvinder Singh Pruthi	07481899	14/08/2020	
11.	Mr. Yash Paul Sachdeva	02012337	26/09/2022	
12.	Mr. Aanchal Kumar Jain	09546925	27/09/2023	

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Bathla & Associates
Company Secretaries

Place : Ludhiana
Dated: 14.08.2024
UDIN: F004391F000963657

Parminder Singh Bathla
Company Secretary
FCS No. 4391
C.P No. 2585
Peer Review No. 1306/2021
SCO-6, Feroze Gandhi Market,
Ludhiana



INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of
Nahar Industrial Enterprises Limited
Ludhiana.

We have examined the compliance of regulations of Corporate Governance by Nahar Industrial Enterprises Limited ("the Company") for the year ended on 31st March 2024, as stipulated in Regulation 17 to 27 and Clause (b) to (i) of the Regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

The Compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedure to ensure the compliance with conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementations thereof, adopted by the Company for ensuring compliance with the condition of the Corporate Governance. It is neither an audit nor an expression of opinion of the financial statements of the Company.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions on the Corporate Governance as stipulated in para C and D Schedule V of the above mentioned Regulations.

For K R Aggarwal & Associates
Chartered Accountants
FRN: 030088N

Place : Ludhiana
Dated : 14.08.2024

(Vivek Aneja)
Partner
M. No. : 544757
UDIN No.: 24544757BKACFM4250



Management Discussion and Analysis Report 2024

Overview of economy

The global economy has shown some recovery after facing series of shocks; started with supply chain disruptions caused by the pandemic, energy and food crisis triggered by Russia's war on Ukraine, inflation and unprecedented monetary tightening. Global economy expects to grow at 3.2% in FY 2024. Although no resolution appears at the moment for the ongoing geopolitical tensions, global inflation is forecast to decline steadily to 5.9 percent in 2024 and expects at 4.5 percent in 2025 with advanced economies returning to their inflation targets sooner than emerging markets and developing economies.

The Indian economy has emerged as the fastest growing major economy of the world in FY2024 for the third successive year. The Reserve Bank of India (RBI), in its annual report for 2023-24 estimates the economy to grow at 7% in the current financial year on the back of government's focus on capital expenditure, prudent monetary, regulatory and fiscal policies. The RBI also observed that geopolitical tensions, geo-economics fragmentation, global financial market volatility, international commodity price movements and erratic weather developments pose downside risks to the growth outlook and upside risks to the inflation outlook.

Industry structure/ development (Textile)

India's Textiles & Apparel (T&A) industry is one of the oldest industries in the Indian economy. India is one of the largest textile producers and exporters in the world. The Indian textile manufacturing industry is significantly contributing to India's GDP and employment. It is one of the largest employers in the country, generating jobs across the entire value chain, from cotton farming and spinning to weaving, dyeing, printing, and garment manufacturing. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. India has several textile manufacturing clusters, concentrated in regions like Gujarat, Maharashtra, Tamil Nadu, Uttar Pradesh, and West Bengal. These clusters specialize in different segments of the textile industry, such as cotton textiles, silk textiles, and handloom textiles, and contribute significantly to India's textile production and exports.

India's textiles and clothing industry is one of the mainstays of the national economy. India is the 3rd

largest exporter of Textiles & Apparel in the world. India has a share of 4.6% of the global trade in textiles and apparel. The textile sector holds importance from the employment point of view as well. It provides direct and indirect employment and source of livelihood for millions of people including a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of Make in India, Skill India, Women Empowerment and Rural Youth Employment. In keeping with goal of making India's development inclusive and participative, the Government's central focus has been on increasing textile manufacturing by building the best-in-class manufacturing infrastructure, up gradation of technology fostering innovation, enhancing skills and traditional strengths in the textile sector. (Source: Annual Report 2022-23 Ministry of Textiles, Government of India).

Indian Government has proactively introduced policies to support and bolster the textile sector. Notable among these are the Production-Linked Incentive (PLI) Scheme, Scheme for Integrated Textile Parks (SITP), and PM Mega Integrated Textile Regions and Apparel (PM MITRA). These policies focus on key areas such as technology adoption, infrastructure development, skill enhancement, and environmental sustainability. By strengthening existing infrastructure and promoting sustainability and technological advancements throughout the value chain, the government aims to enhance the global competitiveness of the Indian textile industry.

Management perception of concerns /Threat/Risks

The Financial year 2024 was another year of significant challenges across the globe and it was also a tough year for the Textile Industry as a whole. The fluctuation in cotton prices, increase in energy cost, inflation in textile products buying countries and huge inventory lying with retailers resulting to reduced demand from downstream apparel companies were some of the contributing factors which have significantly affected the performance of textile industry.

Cotton

Cotton is the base for textile industry. Availability of raw cotton at reasonable prices is crucial for the textile industry. Besides raw material for the textile industry, cotton contributes significantly to the agricultural and industrial economics of India. India is one of the major



cotton producing as well as cotton consuming countries in the world. The area under cotton crop in India is the largest, constituting nearly one fourth of the world cotton area. World cotton production fell 3 percent from the year before in marketing year 2023/24, down 3.4 million bales to 112.8 million, its lowest in 7 years. World cotton consumption in 2023-24 is forecast at 112.5 million bales, 1.2 percent higher than in 2022-23. India saw cotton area decline slightly in 2023-24. (Source; <https://www.usda.gov/sites/default/files/documents/2024AOF-cotton-outlook.pdf>).

The volatility in prices of cotton erodes the level field global market scenario, which can affect the performance of the industry. Government ensures availability of Cotton to Textile Industry through a mechanism namely Committee on Cotton Promotion and Consumption (COCPC). COCPC keeps constant watch and reviews cotton scenario in the country and advises the Government generally on matters pertaining to production and consumption of cotton. Cotton Balance Sheet for the cotton season 2023-24 as drawn by COCPC is as under:-

As on 31.03.2024	In lakh Bales
Opening Stock	61.16
Production	325.22
Imports	12.00
TOTAL SUPPLY	398.38
Consumption	323.00
Exports	28.00
TOTAL DEMAND	351.00
Closing Stock	47.38

(Source: [pib.gov.in/Press Release I frame Page.aspx? PRIT](http://pib.gov.in/Press-Release-Frame-Page.aspx?PRIT))

Cotton Corporation of India (CCI) procured cotton under Minimum Support Price (MSP) operations. The Government of India has announced an increase in the MSP for un-ginned cotton, potentially to support cotton farmers and boosting earnings for Indian farmers in all cotton growing states.

The Textile Industry is witnessing stagnation in demand of T&A products (yarn and fabrics) in domestic market as also the export figures are not so encouraging. India, which used to be the 2nd largest exporter of T&A in the world till 2017 has slipped to 6th position in 2022 and was overtaken by countries like Bangladesh and Vietnam which are dependent on imports of raw material for their Textile Industry. It signifies that amid increasing competitive landscape while countries like China,

Bangladesh and Vietnam etc. have been able to take advantages of lower factor costs & other production costs as compared to India which had made them more cost-effective for buyers.

Moreover, Indian T&A industry on the other hand is also facing certain other issues which are hindering its export potential such as industry requires skilled labour; there is shortage of skilled manpower. Further changes in trade policies and fluctuations in foreign exchange rates may impact the performance of the industry. Rising cost of production is due to lack of strategic policies are other challenges faced by the industry. Overall the textile industry faces a range of economic, environmental, and social challenges that require attention and action for sustainable development.

The global textile industry is on the brink of significant transformation, marked by dynamic shifts in consumer preferences, sustainability imperatives and technological innovation. To unlock the full potential of this sector and to overcome the various challenges it faces, it is imperative that the central and state governments collaborate closely and introduce policies and initiatives to promote and support the textile sector.

Opportunities and outlook

During FY 2024 all countries have felt the impact of deteriorated global geopolitical situation, economic uncertainty, including higher energy and food prices, mounting inflation rates and volatile markets. However, India withstood the challenges with moderate inflation, stable interest rate and strong foreign exchange reserves.

It is projected that India will continue to be the fastest-growing major economy in the world. Indian Textile Industry is expected to rebound in the current year on consistent improvement in the domestic demand, lower cotton prices and gradual recovery in exports. The textile and apparel industry in India has strengths across the entire value chain from yarn, fabric to apparel. The size of Indian textile and apparel market in 2022 was around \$ 165 billion, including the domestic market of \$ 125 billion and exports of \$ 40 billion. Given the long-term positive outlook, the market size is projected to grow at a 10% CAGR to reach \$ 350 billion by 2030. (Source: <https://www.ibef.org/industry/textiles>). The global apparel market was at around \$ 1.7 trillion in 2022 and it is expected to grow at a CAGR of around 8% to reach \$ 2.37 trillion by 2030. Global Textile & Apparel trade was around \$ 910 billion in 2021 and is expected to grow at a



CAGR of 4% to reach \$ 1.2 trillion by 2030 (Source: ficci.in/api/Press_release_details).

The Government of India through various incentive schemes such as Production Linked Incentive (PLI), Mega Investment Textiles Parks (MITRA,) support the growth of Textiles Industry. The Government of India has increased the budget allocation for the Ministry of Textiles by 27.60% reaching to Rs. 4392.85 crores for the financial year 2024-25. This enhanced funding demonstrates the government's commitment to supporting the textile sector through its various schemes and programs. In recent past, the Government removed the import duty on cotton on Extra Long Staple (ELS) cotton, addressing demands from its textile industry.

In the global market of textile and apparel, China is losing its market share. Many countries around the globe depend majorly on China for their textile needs and in recent past years, it is evident that there is high volatility in geopolitics, because of this many countries are looking for an alternative destination so that they can divide their purchase between countries. This gives a golden opportunity for the growth of the textile industry in India and this can help India become the next textile hub. Now, buyers across the world are looking for an integrated production facility. Buyers have understood that this could save lead time and it is cost-effective.

The rapid growth of the retail sector and E-commerce will boost the growth of the textile and apparel industry. Rising disposable incomes will stimulate domestic demand.

India has signed FTAs with UAE and Australia in recent times. Government negotiation is going on with other countries i.e. Canada, UK and EU for this free trade agreement.

According to the reports, the Indian economy is well-placed to step up growth trajectory over the next decade in an environment of macroeconomic and financial stability. With modernised infrastructure, government support and a renewed focus on innovation and market access would help to attain the target. The future of Indian textile industry looks promising in long term. Your management is looking at the future of the textile industry with optimism.

Industry structure/ development (Sugar)

After Textiles, Sugar is India's second largest agro-based industry. Indian sugar industry is characterized by the co-existence of private, cooperative and public sector.

Nearly Five crore farmers (Including Family Members) are engaged in cultivation of sugarcane and the industry is providing ample employment opportunities both directly and indirectly. Brazil has been the top world sugar producer and exporter. China is the world's largest importer. India has been the largest consumer and second largest producer of sugar in the world. With about 15% share in global sugar consumption and about 20% production of sugar, Indian sugar trends affects the global markets. India has shown commitment towards green energy and its capability to twist the challenges of surplus sugar in domestic market to solution of fossil fuels imports. It is remarkable that ethanol blending with petrol percentage in India has increased from 5% in 2019-20 to 12% in 2022-23 and aiming for 20% soon. India has a unique distinction of being the Payer of the Highest Cane Price to its farmers and still efficient enough to make profits and operating in self-sufficient manner without any Government financial assistance. (Source: <https://pib.gov.in/PressReleasePage.aspx>).

Indian sugar industry has come a long way in diversification to exploitation of potential of its by-products to generate additional revenue streams to make the whole business model both sustainable and profitable. The Indian Sugar and Bio-Energy Manufacturers Association (ISMA) have predicted a significant sugar surplus of up to 36 lakh tons for the current season. The opening stock of approximately 56 lakh tons in October 2023 in addition to forecasted domestic consumption of nearly 285 lakh ton for the season, will result in significantly higher closing stock of 91 lakh tons by the end of September 2024. ISMA has urged the government to re-consider, permitting the export of surplus sugar after due consideration of domestic demand and supply. This will boost the financial liquidity of sugar mills and enable timely payments to cane farmers. (Source: <https://www.financial-express.com/policy/economy-isma>)

Management perception of Risk/Concern/Threat

The Indian sugar industry is tightly controlled and rigorously regulated industry both by the Centre & State Government. The Farmers receive protection in the form of a Fair and Remunerative price (FRP) on sugarcane which the sugar mills pay them. The mismatch between Sugar and Sugarcane prices increases the production costs which creates pressure on the sugar mills. An increase in the Minimum Selling Price (MSP) of sugar, aligned with the rise in FRP could offer some relief to sugar mills facing financial difficulties.



India strategically restricted sugar exports in 2023-24 to ensure domestic availability of sugar. Limitations on diverting sugar towards ethanol production added further complexity. The government's recent decision to prohibit sugar mills from producing ethanol from sugarcane juice or syrup has added to the challenges faced by the industry. This move, aimed at stabilizing sugar prices and improving availability, has created uncertainty and worry among sugar producers.

Obsolete sugar manufacturing technologies, cyclic nature of industry, heavily dependent on monsoon rainfall for growth of sugarcane and rising cost of transportation costs are other challenges faced by the industry. Besides, challenges persist from global price fluctuations and water scarcity.

Opportunities and outlook

By acknowledging the complex challenges Indian sugar industry faces and implementing a combination of well-crafted government policies and proactive industry initiatives, there is a path forward towards a more resilient and sustainable future. It has tremendous transformational opportunities to meet the country's food, fuel and power needs in an eco-friendly manner and appropriately fits into the Atmanirbhar Bharat mission of the Government.

India has a low per capita consumption of sugar with growing income. Its large domestic market provides a strong platform to leverage local production for capturing global market. Among various alternatives, sugar stands out as the top choice across all age groups and socioeconomic backgrounds because of its affordability and widespread availability.

The confectionery sector is expected to witness a revenue of US\$ 48.87 billion in 2024, growing at 8.30% CAGR from 2024-2028. India's food and beverage (F&B) industry is one of the largest and fastest-growing sectors, with several segments and sub segments. Industry estimates indicate the domestic food processing segment will reach US\$ 470 billion by FY 2024-25, rising from US\$ 263 billion in FY 2020-21. (Source: Pew Research, CNBC, Economic Times)

The sugar sector in India is a vital economic force, impacting the livelihoods of countless farmers and workers. Sugar mills need to explore cost-reduction measures across their operations. This could involve optimizing logistics, adopting energy-efficient technologies, and streamlining production processes. Sugar mills can explore diversification strategies to mitigate risks and create new revenue streams.

Segment wise/Financial/Operational performance

The company operates in two segments i.e. Textile and Sugar. Please refer Director's Report on the performance review.

Highlights of the company's Financial/operational performance

(Rs. In lakhs)

Particulars	Current Year	Previous Year
Revenue from operations	147176.18	177387.37
Profit / (Loss) before tax	1339.98	10226.17
Profit / (Loss) after tax	961.68	7927.04

Ratios	Current Year	Previous Year	Change (%)
Trade Receivable Turnover Ratio (in times)	9.09	8.05	12.92
Inventory Turnover Ratio (in times)	2.97	3.06	(2.94)
Debt Service Coverage Ratio (in times)	1.36	1.55	(12.26)
Current Ratio (in times)	1.58	2.22	(28.83)
Debt Equity Ratio (in times)	0.55	0.29	(89.66)
Operating Profit Ratio (in %)	2.86	8.29	(65.52)
Net Profit Ratio (in %)	0.65	4.47	(85.46)
Return on Capital Employed (in %)	3.69	13.10	71.84
Return on Investment (in %)	10.30	9.43	9.23

Internal Control System and their Adequacy

The company is having adequate internal financial control systems and procedures which commensurate with the size of the company. The Company is having internal audit department which ensures optimal utilization and protection of company's resources. The internal Auditors monitor and evaluate the efficiency and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and also ensures that the internal control systems are properly followed by all concerned departments of the company. Significant audit observations and corrective actions taken thereon are presented to the Audit committee of the Board.

Material Development in Human resources/ Industrial Relation Front

The company is of firm belief that human resources are the driving force that propels a company towards



progress and success and the company is committed to the development of its people. Your company is committed towards building a safe work place with underling safe work practice. The total employee's strength was 6850 as on 31/03/2024. The industrial relations were cordial and satisfactory.

Cautionary Statement

Though the statement and view expressed in the said report are on the basis of certain assumptions and best judgment but actual results could differ from whatever is stated in the report. Important factors that could make a difference to the Company's operation include global demand-supply conditions, finished goods prices, raw material cost and availability, changes in

government regulations and tax structure, economic development within India and the Countries with which the Company has business. The Company assumes no responsibility in respect of forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

For and on behalf of the Board of Directors

Jawahar Lal Oswal
(DIN: 00463866)
(Chairman)

Place: Ludhiana
Date: 14th August, 2024



Independent Auditor's Report

To the Members of**Nahar Industrial Enterprises Limited****Report on the Audit of Standalone Ind AS Financial Statements****Opinion**

We have audited the accompanying Standalone Ind AS financial statements of Nahar Industrial Enterprises Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, aforesaid Standalone 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, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

We have not come across with any key audit matter during the audit.

Emphasis of Matter

We draw attention to Note 46 to the Standalone Ind AS Financial Statements, which describe the scheme of amalgamation (the Scheme) between the Company (Transferee Company) and its Associate Company i.e. Cotton County Retail Limited (Transferor Company) which had been approved by the Hon'ble National Company Law Tribunal (NCLT) under section 230-232 and other applicable provisions of the Companies Act, 2013 vide its order dated February 21, 2023.

The Scheme becomes effective upon filing of the certified copy of the NCLT order with the Registrar of Companies, Chandigarh on March 18, 2023. Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors Report, including annexure thereto, Report on Corporate Governance and Management Discussion & Analysis Report, but does not include the Consolidated and Standalone Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose 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 Cash Flow Statement, and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;
 - d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
 - e. On the basis of written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, we report that the managerial Remuneration for the year ended 31st March, 2024 has been paid to its directors in accordance with the provisions of section 197 and schedule V to 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, as amended, 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 Standalone Ind AS financial statements.
- ii. The Company do not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 47(h) to the Standalone financial statements);
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any

guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 47(i) to the Standalone financial statements);

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement
- v. Since the Company has not declared or paid any dividend during the year, accordingly, commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 is not applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN NO: 030088N

Vivek Aneja
(Partner)

Place: Ludhiana
Dated: 30th May, 2024

M.No. 544757
UDIN: 24544757BKACCS2503

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements." Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of the audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's Property, Plant, and Equipment and Intangible Assets:
 - (a) (A) The company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment and Investment Property;
 - (B) The company has maintained proper records showing full particulars of Intangible Assets;
- (b) The company has a program of physical verification of Property, Plant, and Equipment to cover most of the items in a phased manner over a period of regular intervals, which in our opinion is reasonable, having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of Property, Plant & Equipment were verified by the management during the year. According to the information and

explanation given to us, no material discrepancies were noticed on such verification;

- (c) The title deeds of all the immovable properties are held in the name of the company except as disclosed in note 47(b) to the financial statements;
 - (d) The company has not revalued its Property, Plant & Equipment or Intangible Assets during the year;
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024, for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made hereunder.
- ii. In our opinion and according to the information and explanations given to us:
 - (a) The physical verification of inventory has been conducted at reasonable intervals by the management, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed.



- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us including the revised submissions if any, made by the Company to its lead bankers based on closure of books of accounts at the year end, the quarterly returns or statements comprising stock statements, book debt statements and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- iii. According to the information and explanations given to us and on the basis of examination of books and records by us,
- (a) A. The company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its associates during the year. Accordingly, reporting under clause 3(iii)(a)(A) of the Order is not applicable.
- B. The Company has granted unsecured loans or advances in the nature of loans to employees and others as specified below:

Particulars	Amount (₹ in lacs)
Aggregate amount granted during the year	
- Employees	145.06
- Others	756.00
Balance outstanding as at balance sheet date	
- Employees	104.37
- Others	804.48*

* Including interest due thereon.

- (b) In respect of the investments made and the terms & conditions of the grant of loans or advances in the nature of loans, as referred to a(B) above, are not prima facie prejudicial to the interest of the Company;
- (c) In respect of loans or advances in the nature of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments are regular;
- (d) There is no overdue amount remaining outstanding as at the balance sheet date in respect of loans or advances in the nature of loans granted by the Company;
- (e) No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;
- (f) The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment;
- iv. In our opinion and according to the information and

explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:

- (a) The company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, the duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.

Further, we report that no undisputed amount payable with respect to such statutory dues were outstanding as at 31st March, 2024, for a period of more than six months from the date they became payable.

- (b) Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty, Employees' State Insurance and Value Added Tax which have not been deposited as at 31st March, 2024 (excluding amount deposited under protest) on account of dispute are given below:

Name of the Statute	Nature of the Dues	Amount (₹ in lacs)	Forum where dispute is pending
Punjab VAT Act, 2005	Sales Tax demand	20.99	DETC Appeal, Ludhiana
	Sales Tax demand	36.75	Sales Tax Tribunal, Chandigarh
The Central Excise Act, 1944	Excise Duty Demand	405.55	Dy. Commissioner, Alwar
Finance Act, 1994	Service Tax Demand	10.09	Dy. Commissioner, Ludhiana
	Service Tax Demand	9.27	The Supreme Court of India
	Service Tax Demand	5.88	CESTAT, Jaipur
	Service Tax Demand	92.03	Commissioner Appeal, Chandigarh
The Income Tax Act 1961	Income Tax Demand	10,976.31	CIT (Appeals), Ludhiana
The Employee's State Insurance Act 1948	ESI Demand	29.98	Civil Judge (Sr. Div.) ESI Court, Ludhiana Now transfer from Ludhiana to Derabassi Court.

- viii. The Company has not surrendered or disclosed any



- transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. In our opinion and according to the information and explanations given to us:
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
 - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority;
 - (c) Term loans were applied for the purpose for which the loans were obtained;
 - (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company;
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates;
 - (f) The company has not raised any loans on the pledge of securities held in the name of its associates during the year;
- x. In our opinion and according to the information and explanations given to us:
- (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) and hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company;
 - (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company;
- xi. In our opinion and according to the information and explanations given to us:
- (a) No fraud by or on the company has been noticed or reported during the course of our audit;
 - (b) No report under section 143(12) of the 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 are no whistle-blower complaints received by the Company during the year;
- xii. The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the order is not applicable to the Company;
- xiii. According to the information and explanations given to us and on the basis of records of the Company examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Indian Accounting Standards;
- xiv. (a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the reports issued by the internal auditor of the company till date for the period under audit.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, reporting under clause 3(xv) of the Order is not applicable;
- xvi. (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company;
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company;
- (d) According to the information and explanations given to us, there are two Core Investment Companies within the Group (As defined in the Core Investment Companies [Reserve Bank] Directions, 2016).
- xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the order is not applicable to the Company;
- xix. On the basis of the financial ratios disclosed in note 47(a) to the Standalone Ind AS Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying Standalone Ind AS Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. The Company has fully spent the required amount towards



Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For K R AGGARWAL & ASSOCIATES

Chartered Accountants

FRN No. 030088N

Vivek Aneja

(Partner)

M.No. 544757

UDIN: 24544757BKACCS2503

Place: Ludhiana

Dated: 30th May, 2024

“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal And Regulatory Requirements' section of our report of even date)

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 of Nahar Industrial Enterprises Limited (“the Company”) as of 31st March, 2024 in conjunction with our audit of the Standalone 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.

Auditor's 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. 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 judgement, 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, to the best of our information and according to the explanation given to us, 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 31st March, 2024, 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 K R Aggarwal & Associates

Chartered Accountants

FRN NO:-030088N

Vivek Aneja

Partner

M.NO.544757

UDIN: 24544757BKACCS2503

Place : Ludhiana

Dated: 30th May, 2024



BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	As At 31 st March, 2024 (₹ in Lacs)	As At 31 st March, 2023 (₹ in Lacs)
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	3a	46,823.62	46,041.99
b) Capital work in progress	3b	5,648.21	3,367.05
c) Investment Property	4	13,122.97	7,260.10
d) Intangible assets	5	--	--
Financial Assets			
i) Investments	6a	8,462.15	6,460.75
ii) Other financial assets	6b	1,948.97	1,837.77
f) Other non current assets	7	206.13	529.45
Total Non-Current Assets		76,212.05	65,497.11
Current Assets			
a) Inventories	8	56,410.96	42,658.94
Financial Assets			
i) Investments	9a	2,460.61	613.81
ii) Trade receivables	9b	16,024.51	16,365.94
iii) Cash and cash equivalents	9c	354.64	52.42
iv) Other bank balances	9d	352.31	268.20
v) Loans	9e	908.85	79.35
vi) Other Financial assets	9f	28.10	13.14
c) Current Tax Assets (Net)	10	143.15	15.24
d) Other Current Assets	11	11,662.34	9,305.24
Total Current Assets		88,345.47	69,372.28
TOTAL ASSETS		164,557.52	134,869.39
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	12	4,340.47	4,340.47
b) Other Equity	13	91,744.88	90,673.15
Total Equity		96,085.35	95,013.62
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
i) Borrowings	14a	9,430.89	5,961.28
ii) Other Financial Liabilities	14b	489.36	316.02
b) Provisions	15	142.68	--
c) Deferred tax liabilities (Net)	16	2,178.39	2,248.12
d) Other non-current liabilities	17	170.17	60.63
Total Non-Current Liabilities		12,411.49	8,586.05
Current Liabilities			
Financial Liabilities			
i) Borrowings	18a	43,765.61	21,689.09
Trade Payables			
ii) Trade Payables	18b		
a. Total outstanding dues of micro enterprises and small enterprises and		138.53	245.79
b. Total outstanding dues of creditors others than micro enterprises and small enterprises		7,988.19	5,005.25
iii) Other Financial Liabilities	18c	3,165.25	3,092.06
b) Other Current Liabilities	19	805.01	1,015.34
c) Provisions	20	198.09	222.19
Total Current Liabilities		56,060.68	31,269.72
TOTAL EQUITY AND LIABILITIES		164,557.52	134,869.39

The accompanying notes form an integral part of these financial statements 1 to 50

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN : 030088N

For and on behalf of the Board

Vivek Aneja
Partner
M.No. : 544757
Place : Ludhiana
Dated : 30th May, 2024

Mukesh Sood
Company Secretary

Bharat Bhushan Gupta
Chief Financial Officer

Dinesh Gogna
Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2024

Particulars	Note No.	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
INCOME			
Revenue from Operations	21	147,176.18	177,387.37
Other Income	22	3,125.96	4,324.13
Total Income		150,302.14	181,711.50
EXPENSES			
Cost of Materials Consumed	23	85,916.62	92,178.68
Purchases of stock-in-trade	24	1,202.28	3,092.93
Change in inventories of Finished Goods, Work-in-Progress and stock in trade	25	(1,325.01)	9,931.07
Employee Benefit Expense	26	16,678.51	16,582.48
Finance Costs	27	2,867.44	3,766.12
Depreciation and Amortisation Expense	3,4,5	4,582.59	4,833.50
Other Expenses	28	39,039.73	41,100.55
Total Expenses		148,962.16	171,485.33
Profit before exceptional items and tax		1,339.98	10,226.17
Exceptional items		--	--
CSR expenses u/s 135 of Companies Act,2013		189.57	116.09
Profit Before Tax		1,150.41	10,110.08
Tax expense	29		
Current tax		295.00	1,860.00
Deferred tax		(106.27)	323.04
Profit After Tax for the period		961.68	7,927.04
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		145.18	83.39
Income tax effect on the above		(36.54)	(20.99)
(ii) Net Gain/(loss) on FVOCI equity instruments		1.41	(1.78)
Income tax effect on the above		--	--
Total Other Comprehensive Income/(Loss)		110.05	60.62
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)		1,071.73	7,987.66
Basic and diluted earnings per equity share (Face value of equity share ₹10 each)	36	2.23	19.89

The accompanying notes form an integral part of these financial statements **1 to 50**

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Managing Director
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CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

Particulars	2023-24 (₹ in Lacs)	2022-23 (₹ in Lacs)
(A) Cash Flow from Operating Activities		
Net Profit before Tax	1,150.41	10,110.08
Adjustment for:		
Depreciation	4,582.59	4,833.50
Other Income	(68.40)	(23.67)
Rent	6.26	6.26
Remeasurement of defined benefit plan	145.18	83.39
Sundry balances written off/(written back) (Net)	(3.56)	(17.31)
Profit on sale of Property, Plant and Equipment (Net)	(300.70)	(2,623.78)
Profit on sale of investment	(20.66)	--
Dividend Received	(19.32)	(19.32)
Interest Income	(748.82)	(190.53)
Rent Income	(1,833.26)	(1,326.40)
Interest Expense	2,867.44	3,766.12
Operating Profit before Working Capital Changes	5,757.16	14,598.34
Adjustment for:		
Trade receivable & other assets	(1,935.49)	17,316.60
Inventories	(13,752.01)	30,664.27
Trade Payables & Other Liabilities	3,169.34	(10,678.11)
Cash Generated from operations	(6,761.00)	51,901.10
Direct Taxes Paid	(422.92)	(1,548.48)
Net Cash from Operating Activities	(7,183.92)	50,352.62
(B) Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment (Inc. investment property)	(13,899.56)	(8,509.51)
Sale of property, Plant and Equipment (Inc. investment property)	692.00	3,715.20
Net Increase In asset on amalgamation	--	375.44
Dividend Received	19.32	19.32
Interest Received	744.33	187.17
Rent Income	1,833.26	1,326.40
Loan given	(804.48)	--
Purchase of current investment	(1,791.25)	(610.39)
Purchase of Non-Current investment	(2,000.00)	(2,000.00)
Net cash used in Investing Activities	(15,206.38)	(5,496.37)
(C) Cash Flow from Financing Activities		
Interest Expenses	(2,745.04)	(3,646.18)
Dividend paid	(24.30)	(0.16)
Proceeds from Long Term Borrowings (Net)	2,037.27	(3,011.50)
Changes in Working Capital Borrowings	23,424.59	(38,210.51)
Net Cash used in Financing Activities	22,692.52	(44,868.35)
Net Change in Cash & Cash Equivalents (A+B+C)	302.22	(12.10)
Opening Cash & Cash Equivalents	52.42	64.52
Closing Cash & Cash Equivalents	354.64	52.42

- Notes:** 1. Previous year's figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures.
2. Figures in brackets represent deduction.
3. Refer note no. 45, debt reconciliation as per Ind AS - 7 "Statement of Cash Flows"

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN : 030088N

For and on behalf of the Board

Vivek Aneja
Partner
M.No. : 544757
Place : Ludhiana
Dated : 30th May, 2024

Mukesh Sood
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Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)



Statement of Changes in Equity for the Year ended 31st March 2024

Particulars	2023-24 (₹ in Lacs)	2022-23 (₹ in Lacs)
A. Equity Share Capital		
Balance at the beginning of the reporting year	4,340.47	4,003.42
Changes in Equity Share Capital during the reporting year	--	*337.05
Balance at the closing of the reporting year	<u>4,340.47</u>	<u>4,340.47</u>

*allotted pursuant to Effect of Business Combination

B. Other Equity

Particulars	Reserve & Surplus				Total
	Security Premium	General Reserve	Retained Earnings	Equity Component of compound Financial Instruments (Preference Share)	
Balance as at 1st April, 2022 (a)	33,454.08	41,715.27	--	9,658.88	84,828.23
Profit for the year	--	--	7,927.04	--	7,927.04
Remeasurement gain/(loss) on Defined benefit plan	--	--	62.40	--	62.40
Other Comprehensive Income/(Loss)	--	--	(1.78)	--	(1.78)
Total Comprehensive Income for the year (b)	--	--	7,987.66	--	7,987.66
Effect of Business Combination	7,763.57	(3,585.31)	--	(6,321.00)	(2,142.74)
Transfer from Retained Earning	--	7,987.66	--	--	7,987.66
Transfer to General Reserve	--	--	(7,987.66)	--	(7,987.66)
Total (C)	7,763.57	4,402.35	(7,987.66)	(6,321.00)	(2,142.74)
Balance as at 31st March, 2023 (d) = (a+b+c)	41,217.65	46,117.62	--	3,337.88	90,673.15
Profit for the year	--	--	961.68	--	961.68
Remeasurement gain/(loss) on Defined benefit plan	--	--	108.64	--	108.64
Other Comprehensive Income/(Loss)	--	--	1.41	--	1.41
Total Comprehensive Income for the year (e)	--	--	1,071.73	--	1,071.73
Transfer from Retained Earning	--	1,071.73	--	--	1,071.73
Transfer to General Reserve	--	--	(1,071.73)	--	(1,071.73)
Total (f)	--	1,071.73	(1,071.73)	--	--
Balance as at 31st March, 2024 (g) = (d+e+f)	41,217.65	47,189.35	--	3,337.88	91,744.88

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
 Chartered Accountants
 FRN : 030088N

For and on behalf of the Board

Vivek Aneja
 Partner
 M.No. : 544757
 Place : Ludhiana
 Dated : 30th May, 2024

Mukesh Sood
 Company Secretary

Bharat Bhushan Gupta
 Chief Financial Officer

Dinesh Gogna
 Director
 (DIN : 00498670)

Kamal Oswal
 Vice Chairman-cum-
 Managing Director
 (DIN : 00493213)



Notes to Financial Statements for the year ended 31st March, 2024

Note: 1 Background

Nahar Industrial Enterprises Limited (the "Company") incorporated in 1983 is engaged in the business of Textiles and Sugar in India. The company is a public Limited company domiciled in India under the provision of companies Act, 1956. Its shares are listed in recognized stock exchange BSE/NSE of India. The registered office of the company is located in Focal Point, Ludhiana.

Note: 2 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Company consisting of Nahar Industrial Enterprises Limited (the "Company").

(a) Basis of Preparation**(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act (as amended from time to time).

The financial statements of the company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans-assets measured at fair value.

The Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting Policy hitherto in use.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) Derivative Financial Instruments measured at fair value
- (b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (c) Employee's Defined Benefit Plan as per actuarial valuation

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to two decimals places to the nearest lacs as per the requirement of division II of Schedule III, unless otherwise stated.

(iv) Recent Pronouncements

The Company applied for the first time these amendments of Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on financials.

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(b) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Company.

The fair value of an asset or a 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 assets take in to account a market participant's ability to generate economic benefits by using the assets 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.



Notes to Financial Statements for the year ended 31st March, 2024

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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 the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares Financial instruments
- Financial instruments

(c) Current versus non-current classification

All assets and liabilities have been classified as current or non current as per company's normal operating cycle and other criteria set out in the division II of Schedule III to the Act.

(d) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written Down Value Method to allocate their cost, net of their residual values, over their useful lives. In case of new projects and major expansion of the existing units undertaken by the Company after 1st April, 2005 till 31st March, 2012, Depreciation charged on the Straight line method. Leasehold land is amortised over period of lease. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

(e) Investment properties

Property that is held for long term rental yields or for capital appreciation or both is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on the basis of Written Down Value Method based on expected life span of assets which is in accordance with Schedule II of the Companies Act, 2013. Significant parts of the property are depreciated separately based on their specific useful lives. Any gain or loss on disposal of investment properties is recognised in profit or loss account

(f) Intangible assets Computer Software

The Company has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortized over the period or 4 years, being their expected useful economic life.

(g) Non- Current Asset 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 a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are



Notes to Financial Statements for the year ended 31st March, 2024

classified as held for sale.

(h) Impairment of Non-financial assets

An impairment loss recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. Impairment losses, if any are recognized in the statement of profit & loss. The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

(i) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

- 1) a) For Raw Material on weighted average method plus direct expenses.
b) For Stores and Spares on weighted average method plus direct expenses.
c) For Work - in - Process, cost of Raw Material plus appropriate share of manufacturing expenses /relevant Overheads/conversion cost depending upon the stage of completion.
- 2) For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
- 3) Further Wastage are valued at net realizable value only.

(j) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expense in the period in which they are incurred.

(k) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as net over the periods necessary to match them on systematic basis to the cost, which it is intended to compensate. When the grant relates to an PPE, the government grant related to property plant and equipment is presented by deducting the grant in arriving at the carrying amount of the property, plant and equipment.

(l) Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A present obligation that arises from past events where it is neither probable that an outflow of resources will be required to settle nor a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**Notes to Financial Statements for the year ended 31st March, 2024****(m) Foreign currency transaction****Initial Recognition:**

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these transaction are recognized in the Statement of Profit and Loss.

(n) Revenue recognition**(i) Revenue arises mainly from the sale of manufactured and traded goods.**

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue as & when performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognized when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognized as and when the services are rendered and on the basis of contractual terms with the parties.

(ii) Export Incentives- Export incentives are recognized on post export basis.**(iii) Interest income -** Interest income from debt instruments is recognized using the effective interest rate method.**(iv) Dividend income -** Dividends are recognized in profit or loss only when the right to receive payment is established.**(v) Rental Income-** Rental income is accounted for on accrual basis.**(vi) Scrap** (i.e empties, wastage etc. Other than production) is accounted for on sale basis.**(vii) Income and other Claims -**Revenue in respect of claims is recognized when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .**(o) Short-term leases and leases of low-value assets**

The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(p) Income Tax

Income tax expense comprises current income tax and deferred tax.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or

**Notes to Financial Statements for the year ended 31st March, 2024**

substantively enacted, at the reporting date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(q) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand and balances with banks.

(r) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment if any. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(s) Financial instruments

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

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and



Notes to Financial Statements for the year ended 31st March, 2024

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company assesses on a forward looking basis the expected credit losses associated with its assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 -- Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(t) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.



Notes to Financial Statements for the year ended 31st March, 2024

(u) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

(v) Employee benefits**(i) Short term obligations**

Liabilities for wages and salaries, short term compensated absence and ex-gratia including 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 benefits obligations in the balance sheet.

(ii) Post-employment obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

(w) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker [CODM]. The Operating Segment is the level at which discrete financial information is available. The CODM allocates resources and assess performance at this level. The Company has Operating segments comprising of Textile, Sugar and Others.

(x) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities when payment is due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(y) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.



Notes to Financial Statements for the year ended 31st March, 2024

(z) Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

The profit attributable to owners of the Company

By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(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 be outstanding assuming the conversion of all dilutive potential equity shares.

Note: 2.1 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable -
- Estimation of defined benefit obligation -
- Recognition of deferred tax assets for carried forward tax losses -

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on Company and that are believed to be reasonable under the circumstances.



Notes to Financial Statements for the year ended 31st March, 2024

3(a). PROPERTY, PLANT AND EQUIPMENT		GROSS BLOCK										DEPRECIATION BLOCK			NET BLOCK	
		As at 01.04.2023	Effect of Business Combination	Additions During the Year	Sale/ Adjustment during the year	As at 31.03.2024	Upto 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023			
Lease Hold Land	123.49	--	--	--	123.49	36.61	--	1.25	--	37.86	85.63	86.88				
Free Hold Land	10,198.14	--	3,714.91	2.36	13,910.69	--	--	--	--	--	13,910.69	10,198.14				
Building	33,752.10	--	129.88	--	33,881.98	20,604.84	--	839.22	--	21,444.06	12,437.92	13,147.26				
Plant & Machinery	143,314.56	--	1,291.51	6,811.78	137,794.29	121,408.37	--	3,109.46	6,453.35	118,064.48	19,729.81	21,906.19				
Furniture & Fixtures	955.77	--	0.81	46.88	909.70	855.87	--	20.33	45.86	830.34	79.36	99.90				
Office Equipment	1,405.54	--	59.88	104.89	1,360.53	1,217.67	--	76.44	99.94	1,194.17	166.36	187.87				
Vehicles	1,893.73	--	171.13	299.94	1,764.92	1,477.98	--	148.49	275.40	1,351.07	413.85	415.75				
Total	191,643.33	--	5,368.12	7,265.85	189,745.60	145,601.34	--	4,195.19	6,874.55	142,921.98	46,823.62	46,041.99				
Previous year	190,844.64	572.19	4,272.45	4,045.95	191,643.33	144,106.15	506.19	4,565.03	3,576.03	145,601.34	46,041.99	46,738.49				

3(b). CAPITAL WORK IN PROGRESS (CWIP)		Amount in CWIP for a period of		
Particulars	As at 31.03.2024	1-2 year	2-3 year	more than 3 years
CWIP	5,648.21	--	--	--
Total	5,648.21	--	--	--
As at 31st March, 2024	5,648.21	Less than 1 year	1-2 year	2-3 year
As at 31st March, 2023	3,367.05	5,648.21	--	--
		3,367.05	--	--
				Total
				5,648.21
				3,367.05



Notes to Financial Statements for the year ended 31st March, 2024

		4. INVESTMENT PROPERTY										
		GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK
Particulars	As at 01.04.2023	Effect of Business Combination	Additions During the Year	Sale/Adjustment during the year	As at 31.03.2024	Up to 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Free Hold Land	754.74	--	*3,775.37	--	4,530.11	--	--	--	--	--	4,530.11	754.74
Building	7,710.63	--	2,474.90	--	10,185.53	1,205.27	--	387.40	--	1,592.67	8,592.86	6,505.36
Total	8,465.37	--	6,250.27	--	14,715.64	1,205.27	--	387.40	--	1,592.67	13,122.97	7,260.10
Previous year	7,157.51	--	1,307.86	--	8,465.37	936.80	--	268.47	--	1,205.27	7,260.10	6,220.71
*Addition during the year included ₹ 0.98 Lacs in Gross Block being Transferred from Property, Plants and Equipments.												
Amount recognised in profit & loss for investment properties:												
Particulars												
Rental Income	31.03.2024											
Direct operating expenses that generated rental income	1,820.05											
Profit/(loss) from leasing of investment properties	854.14											
	965.91											
5. OTHER INTANGIBLE ASSETS												
		GROSS BLOCK										NET BLOCK
		GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK
Particulars	As at 01.04.2023	Effect of Business Combination	Additions During the Year	Sale/Adjustment during the year	As at 31.03.2024	Up to 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer Software	559.22	--	--	--	559.22	559.22	--	--	--	559.22	--	--
Total	559.22	--	--	--	559.22	559.22	--	--	--	559.22	--	--
Previous year	458.31	100.91	--	--	559.22	458.31	100.91	--	--	559.22	--	--



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
6a. Investments		
(i) Investment in Equity Instrument		
Investment in Associates (Unquoted) (Cost)		
180,000 Fully Paid Up Equity shares of ₹ 100/- each of J.L. Growth Fund Limited (Previous Year 180,000)	1,684.80	1,684.80
250,000 Fully Paid Up Equity shares of ₹ 100/- each of Vardhman Investment Limited (Previous Year 250,000)	1,475.00	1,475.00
164,000 Fully Paid Up Equity shares of ₹ 100/- each of Atam Vallabh Financers Limited (Previous Year 164,000)	1,066.00	1,066.00
Sub Total	4,225.80	4,225.80
(ii) Investment in Equity Instrument		
Investments at fair value through OCI		
Investment in others (Quoted)		
12,555 Fully Paid Up Equity shares of ₹ 10/- each of Pasupati Acrylon Ltd. (Previous Year 12,555)	4.49	3.09
50 Fully Paid Up Equity shares of ₹ 10/- each of Malwa Cotton Spinning Mills Limited (Previous Year 50)	0.02	0.02
Sub Total	4.51	3.11
(iii) Investment in Equity Instrument		
Investments at fair value through OCI		
Investment in others (Unquoted)		
30,900 Fully paid up Equity shares ₹ 10/- each of BPL Engineering Ltd. (Previous Year 30,900)	2.80	2.80
22,500 Fully paid up Equity shares ₹ 10/- each of Pertech Computer Ltd. (Previous Year 22,500)	0.23	0.23
7,700 Fully Paid up Equity shares ₹ 10/- each of R.S. Petro Chemical Ltd. (Previous Year 7,700)	0.08	0.08
3,360 Fully paid up Equity shares ₹ 100/- each of Nagdevi Trading & Investment Co. Ltd. (Previous Year 3,360)	0.51	0.51
3,558,786 Fully paid up Class-'A' Equity shares ₹ 10/- each of VS Lignite Power Pvt. Ltd. (Previous Year 3,558,786)	0.36	0.36
One Fully paid up Equity share ₹ 100/- each of Punjab State Co-operative Bank Ltd. (Previous Year One)	--	--
One Fully paid up Equity share ₹ 5,000/- each of Krishna Building Owners Association (Previous Year One)	0.05	0.05
Sub Total	4.03	4.03



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
(iv) INVESTMENT IN CUMULATIVE REDEEMABLE PREFERENCE SHARES (Unquoted) (Others)		
At Amortised Cost		
3,156,958 Fully paid up Class 'A' 0.01% Cumulative Redeemable Preference Shares ₹ 10/- each of VS Lignite Power Pvt. Ltd. (Previous Year 3,156,958)	0.31	0.31
Sub Total	<u>0.31</u>	<u>0.31</u>
(v) INVESTMENT IN NON-CUMULATIVE REDEEMABLE PREFERENCE SHARES (Unquoted) (Others)		
At Amortised Cost		
4,000,000 Unlisted 5% Non - Cumulative Redeemable Preference Share face value of ₹ 100/- each at par (Fully paid up of ₹ 100/- each) of Owm Poly Yarn Limited (Previous Year 4,000,000 partly paid up of ₹ 50/- each)	4,000.00	2,000.00
Sub Total	<u>4,000.00</u>	<u>2,000.00</u>
(vi) Investment in Limited liability partnership (LLP) (Unquoted) (Cost)		
26% share of OWM Renew LLP (Associate)	227.50	227.50
Sub Total	<u>227.50</u>	<u>227.50</u>
TOTAL (i+ii+iii+iv+v+vi)	<u>8,462.15</u>	<u>6,460.75</u>
1. Market Value of Quoted Investment	4.51	3.11
2. Aggregate amount of Unquoted Investment	8,457.64	6,457.64
3. Aggregate amount of Total Investment	8,462.15	6,460.75
6b. Other Financial Assets (Unsecured, considered good)		
Security deposits	1,948.97	1,837.77
Total	<u>1,948.97</u>	<u>1,837.77</u>
7. Other Non-Current Assets		
Capital Advances	12.85	335.56
Prepaid Lease Rentals	--	6.26
Prepaid Expense	193.28	187.63
Total	<u>206.13</u>	<u>529.45</u>
8. Inventories (As taken, valued and approved by management)		
Raw Materials	23,987.28	11,367.38
Work-in-Progress	3,957.38	3,156.02
Finished Goods	25,306.11	24,782.46
Stores and Spares	3,160.19	3,353.08
Total	<u>56,410.96</u>	<u>42,658.94</u>
8.1 Detail of Inventory-Finished Goods		
Yarn	4,406.79	4,794.12
Fabrics	7,654.96	6,632.16
Sugar	10,856.75	11,295.20
Other	2,387.61	2,060.98
Total	<u>25,306.11</u>	<u>24,782.46</u>



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
9a. Investments		
Investment in Debentures /Bonds (Quoted) at fair value through Profit and Loss		
i. 20 Units of ₹ 1,000,000/- each of 9.10% Tata International Ltd. Perpetual bond (Previous Year 20 Units)	200.00	200.96
ii. 50 Units of ₹ 1,000,000/- each of 9.95% U.P. Power Corporation Limited bond (Previous Year 20 Units)	519.50	205.69
iii. 26,300 units of ₹ 900/- each of 6.75% Pirammal Capital and Housing Finance Limited Debenture (Previous Year 26,300)	198.03	207.16
iv. 300,000 units of ₹ 100/- each of 7.26% Govt. of India 32584 GOI 06FB33 (Previous Year Nil)	306.00	--
v. 300,000 units of ₹ 100/- each of 7.54% Govt. of India 31636 GOI 23MY36 (Previous Year Nil)	318.54	--
vi. 30 Units of ₹ 1,000,000/- each of Lumbini Education Private Ltd. (Previous Year Nil)	278.00	--
vii. 20 Units of ₹ 1,000,000/- each of Altena Management Pvt. Ltd. SR A RR NCD 30SP27 (Previous Year Nil)	200.00	--
viii. 29 Units of ₹ 1,000,000/- each of Incred Financial Services Ltd. SR06 BR NCD 26APR24 (Previous Year Nil)	360.52	--
ix. 26.659 Units of ₹ 105,030/- each of Ask Private Credit Fund AIF-II (Previous Year Nil)	27.47	--
x. 9,670.0505 Units of ₹ 103.41 each of UTI Structured Debt Opportunities Fund III Class F1 (Previous Year Nil)	10.00	--
xi. 250 Units of ₹ 10,000/- each of Emerging Credit Investment Trust Credit Structured INC PRTFL FD CLR1 (Previous Year Nil)	25.00	--
xii. 17.556 Units of ₹ 100,000/- each of Axis Alternative Investment Fund CAT-II (Axis Structure Credit AIF-II A2) (Previous Year Nil)	17.55	--
Total	2,460.61	613.81
Market value of quoted investment	2,460.61	613.81
9b. Trade receivables (Unsecured, considered good)		
Total	16,024.51	16,365.94
Total	16,024.51	16,365.94

Trade Receivables Ageing Schedule as on 31st March, 2024

(₹ in Lacs)

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	14,326.86	1,496.06	188.69	4.25	3.82	4.83	16,024.51
(ii) Undisputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--	--
(iv) Disputed Trade Receivables - considered good	--	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--	--

Trade Receivables Ageing Schedule as on 31st March, 2023

(₹ in Lacs)

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	14,505.58	1,734.53	93.37	23.05	0.57	8.84	16,365.94
(ii) Undisputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--	--
(iv) Disputed Trade Receivables - considered good	--	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--	--



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
9c. Cash and cash equivalents		
Balances with banks - current accounts	322.28	35.66
Cash-in-Hand	32.36	16.76
Total	354.64	52.42
9d. Other bank balances		
Unpaid Dividend Account	35.86	60.16
Fixed deposit having original maturity more than 3 months but less than 12 months	*316.45	208.04
Total	352.31	268.20
*Lien with HDFC Bank under EMI DSRA Loan.		
9e. Loans		
(Unsecured, considered good)		
Loans to employees	104.37	79.35
Loans to others	804.48	--
Total	908.85	79.35
9f. Other Financial assets		
(Unsecured, considered good)		
FDR Interest accrued	24.42	8.64
Derivative Assets	3.68	4.50
Total	28.10	13.14
10. Current tax assets (Net)		
Advance Income Tax/TDS Certificate	143.15	15.24
Total	143.15	15.24
11. Other current assets		
Advances to suppliers	6,278.56	3,444.43
Advances to employees	51.41	50.57
Balance with government authorities	4,996.13	5,297.57
Prepaid expenses	284.97	349.16
Prepaid Lease rentals	6.26	6.26
Gratuity fund	--	103.43
Expense recoverable	45.01	53.82
Total	11,662.34	9,305.24
12. Authorized Share Capital :		
100,000,000 Equity Shares of ₹ 10/- each (Previous Year 100,000,000)	10,000.00	10,000.00
10,550,000 Preference Shares of ₹ 100/- each (Previous Year 10,550,000)	10,550.00	10,550.00
Total	20,550.00	20,550.00
Issued, Subscribed and Fully Paid up:		
43,205,581 Equity Shares of ₹ 10/- each (Previous Year 39,835,141)	4,320.56	3,983.51
Add: Nil Equity Shares of ₹10/- each allotted pursuant to Effect of Business Combination (Previous Year 3,370,440)	--	337.05
Add: Share Forfeited Account (Amount originally paid up)	19.91	19.91
Total	4,340.47	4,340.47
4,000,000 Unlisted 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous Year 4,000,000)	*4,000.00	4,000.00
Total	4,000.00	4,000.00



Notes to Financial Statements for the year ended 31st March, 2024

* ₹ 3,337.88 Lacs (Previous Year ₹ 3,337.88 Lacs) shown as Equity Component of Compound financial instruments under the head Other Equity (note no. 13)

* ₹ 963.88 Lacs (Previous Year ₹ 880.17 Lacs) shown as Liability Component of Compound financial instruments under the head Borrowings (note no. 14a(i))

* ₹ 12.93 Lacs (Previous year ₹ 12.93 Lacs) being statutory fees paid in earlier years was reduced and shown as net in Rate & Taxes as per Ind-AS

* ₹ 314.69 Lacs (Previous Year ₹ 230.98 Lacs) shown as interest expense provided under the head finance cost as per Ind-AS

a. Reconciliation of the number of Shares outstanding :

Equity Shares

At the beginning of the year	43,205,581	39,835,141
Add: Shares pursuant to Effect of Business Combination in Previous Year	--	3,370,440
Outstanding at the end of year	<u>43,205,581</u>	<u>43,205,581</u>

Preference Shares

At the beginning of the year	4,000,000	11,620,000
Less: Shares pursuant to Effect of Business Combination in Previous Year	--	7,620,000
Outstanding at the end of year	<u>4,000,000</u>	<u>4,000,000</u>

b. Terms/rights attached to Shares:

Equity Shares

The Company has only one class of Equity Shares having Face value of ₹ 10/- each. Holder of Equity Share is entitled to only one vote per share.

Preference Shares

The Company has Issued 5.5% Unlisted Non-Convertible Non-Cummulative Redeemable Preference Shares of the face value of ₹ 100/- each (NCNCRPS).

NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company.

c. Detail of Shareholders holding more than 5% shares:

Particulars	As At 31st March, 2024		As At 31st March, 2023	
	Number of Shares	% of holding	Number of Shares	% of holding
Shareholders				
Equity Share				
J.L. Growth Fund Ltd.	7,476,586	17.30	7,476,586	17.30
Vardhman Investment Ltd.	4,770,131	11.04	4,770,131	11.04
Nagdevi Trading & Investment Co. Ltd.	2,386,839	5.52	2,386,839	5.52
Kovalam Investment & Trading Co. Ltd.	6,189,679	14.33	6,189,679	14.33
Atam Vallabh Financiers Ltd.	4,007,679	9.28	4,007,679	9.28
Vanaik Investor Ltd.	3,221,486	7.46	3,221,486	7.46
Preference Share				
Nahar Capital & Financial Services Ltd.	4,000,000	100.00	4,000,000	100.00



Notes to Financial Statements for the year ended 31st March, 2024

d. Disclosure of Shareholding of Promoters in Equity Shares.

Promoter Name	As At 31st March, 2024		As At 31st March, 2023		% change during the Year
	Number of Shares	% of holding	Number of Shares	% of holding	
Equity Share					
Jawahar Lal Oswal	1,000	--	1,000	--	--
Kamal Oswal	1,294	--	1,294	--	--
Dinesh Oswal	1,000	--	1,000	--	--
Manisha Oswal	1,000	--	1,000	--	--
Rishabh Oswal	9,039	0.02	9,039	0.02	--
Abhinav Oswal	9,039	0.02	9,039	0.02	--
Sanjana Oswal	9,039	0.02	9,039	0.02	--
Sambhav Oswal	500	--	500	--	--
Tanvi Oswal	500	--	500	--	--
Ritu Oswal	500	--	500	--	--
J.L. Growth Fund Ltd.	7,476,586	17.30	7,476,586	17.30	--
Vardhman Investment Ltd.	47,70,131	11.04	47,70,131	11.04	--
Oswal Woollen Mills Ltd.	2,094,819	4.85	2,094,819	4.85	--
Nagdevi Trading & Investment Co. Ltd.	2,386,839	5.52	2,386,839	5.52	--
Kovalam Investment & Trading Co. Ltd.	6,189,679	14.33	6,189,679	14.33	--
Atam Vallabh Financiers Ltd.	4,007,679	9.28	4,007,679	9.28	--
Vanaik Investor Ltd.	3,221,486	7.46	3,221,486	7.46	--
Nahar Growth Fund Pvt. Ltd.	245,792	0.57	245,792	0.57	--
Abhilash Growth Fund Pvt. Ltd.	355,143	0.82	355,143	0.82	--
Total	30,781,065	71.24	30,781,065	71.24	

13. Other Equity

Securities Premium Account

Balance as per last Balance Sheet	41,217.65	33,454.08	
Add: Effect of Business Combination	--	7,763.57	
	<u>41,217.65</u>	<u>41,217.65</u>	41,217.65

Equity Component of Compound financial instruments (Preference Shares)

Balance as per last Balance Sheet	3,337.88	9,658.88	
Less: Effect of Business Combination	--	6,321.00	
	<u>3,337.88</u>	<u>3,337.88</u>	3,337.88



Notes to Financial Statements for the year ended 31st March, 2024

Particulars		As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
General Reserve			
Balance as per last Balance Sheet	46,117.62	41,715.27	
Add: Transfer from Retained Earning	1,071.73	7,987.66	
Less: Effect of Business Combination	--	47,189.35	3,585.31
			46,117.62
Retained Earnings			
Balance as per last Balance Sheet	--	--	
Add: Profit for the year	961.68	7,927.04	
Add: Remeasurement gain/(loss) on defined benefit plan	108.64	62.40	
Add: Other Comprehensive income	1.41	(1.78)	
Balance Transferred to General Reserve	(1,071.73)	--	(7,987.66)
			--
Total		91,744.88	90,673.15
14a. Borrowings			
*Term loans (Secured)			
From Banks		8,467.01	5,081.11
Others Unsecured			
i) Liability component of Compound financial instruments Unlisted 5.5% Non-Convertible Non-Cumulative Redeemable Preference Share (NCNCRPS)		963.88	880.17
Total		9,430.89	5,961.28

*There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

14a.1 Repayment terms and security disclosures for the outstanding long-term borrowings (including current maturities) as on 31st March, 2024.

Terms of repayment of long term borrowings:

i) Terms of Repayment of term loans

As At 31st March, 2024 (₹ in Lacs)*	Repayment Period from origination (years)	Installments outstanding as on 31st March, 2024	
		No.	Periodicity
1,041.98	5	13	Quarterly
1,580.63	7	60	Monthly
287.04	8	72	Monthly
1,426.78	8.5	80	Monthly
398.67	8	72	Monthly
1,887.94	8	92	Monthly
3,149.98	13	144	Monthly
10.43	5	5	Monthly
9,783.45			

* Figures of term loan stated in para 14a.1 (i) includes current maturities of Long term debt shown separately in notes no. 18a and exclude ₹ 1.93 Lacs transaction cost amortised over the period of Term loan.



Notes to Financial Statements for the year ended 31st March, 2024

- Term Loan from Indian Bank of ₹ 1,041.98 lacs are secured by hypothecation as pari-passu first charge on whole of the immovable properties of the Company situated at Village Jalalpur, Chandigarh Ambala Road, Lalru, Distt. Mohali, Village Jaladiwal, Near Raikot, Distt. Ludhiana (Punjab), Village Udaipur / Khljuriwas, Bhiwadi, Distt. Alwar (Rajasthan), Village Salana Jeon Singh Wala, Tehsil Amlah, Distt. Fatehgarh Sahib (Punjab) and Negative Lien of immovable assets (property) Land measuring 15 acres (out of total land of 100 acres) at Industrial Focal Point, Phase-VIII, Village Mundian, Distt. Ludhiana, Including the Company's movable Plant and Machinery, Machinery Spares and other moveables both present and future and subject to the charge or charges created or to be created by the Company in favour of its Bankers on its movables and also personally guaranteed by some of the Directors of the Company.
- Term Loan (secured) includes ₹ 10.43 Lacs as vehicle loan taken from ICICI Bank against hypothecation of the respective Vehicles only.
- Term loan (secured) includes ₹ 5,581.06 Lacs as LRD facility taken from HDFC Bank Ltd. against exclusive charge on the title deeds situated at Focal Point, Phase-IV, Ludhiana.
- Term loan (secured) includes ₹ 3,149.98 Lacs as term loan facility taken from Axis Bank against exclusive charge on the title deeds situated at Ward No. 28, Mouza Garji, Garje Road, MC Road, Chandan Nagar, Hooghly, West Bengal.
- ii) NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company.

14a.2 Repayment terms and security disclosures for the outstanding long-term borrowings (including current maturities) as on 31st March, 2023.

Terms of repayment of long term borrowings:

i) Terms of Repayment of term loans

As At 31st March, 2023 (₹ in Lacs)*	Repayment Period from origination (years)	Installments outstanding as on 31st March, 2023	
		No.	Periodicity
1,229.36	5	4	Quarterly
389.82	9	29	Quarterly
1,941.98	5	17	Quarterly
14.91	5	1	Quarterly
1,838.59	7	72	Monthly
324.73	8	84	Monthly
1,587.15	8.5	92	Monthly
451.01	8	84	Monthly
27.10	5	19	Monthly
14.98	1	6	Monthly
7,819.63			

* Figures of term loan stated in para 14a.2 (i) includes current maturities of Long term debt shown separately in notes no. 18a and exclude ₹ 2.50 Lacs transaction cost amortised over the period of Term loan.

- Term Loan from Indian Bank, Punjab National Bank and Canara Bank of ₹ 3,576.07 lacs are secured by hypothecation as pari-passu first charge on whole of the immovable properties of the Company situated at Village Jalalpur, Chandigarh Ambala Road, Lalru, Distt. Mohali, Industrial Focal Point, Phase-VIII, Village Mundian, Distt. Ludhiana, Village Jaladiwal, Near Raikot, Distt. Ludhiana (Punjab), Village Udaipur / Khljuriwas, Bhiwadi, Distt. Alwar (Rajasthan) and Village Salana Jeon Singh Wala, Tehsil Amlah, Distt. Fatehgarh Sahib (Punjab) Including the Company's movable Plant and Machinery, Machinery Spares and other moveables both present and future and subject to the charge or charges created or to be created by the Company in favour of its Bankers on its movables and also personally guaranteed by some of the Directors of the Company.



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
<ul style="list-style-type: none"> ● Term Loan (secured) includes ₹ 42.08 Lacs as vehicle loan taken from ICICI Bank and damlier against hypothecation of the respective Vehicles only. ● Term loan (secured) includes ₹ 4,201.48 Lacs as LRD facility taken from HDFC Bank Ltd. against exclusive charge on the title deeds situated at Focal Point, Phase-IV, Ludhiana. ii) NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company. 		
14b. Other Financial Liabilities		
Security deposit	489.36	316.02
Total	<u>489.36</u>	<u>316.02</u>
15. Provisions		
Provision for Gratuity	142.68	--
Total	<u>142.68</u>	<u>--</u>
16. Deferred Tax Liabilities (net)		
Deferred Tax Liability Relating to Property, plant and equipment, IND AS adjustment etc.	2,289.59	2,288.09
Deferred Tax Assets Disallowance u/s 43B of the Income Tax Act, 1961, and other etc.	(111.20)	(39.97)
Total	<u>2,178.39</u>	<u>2,248.12</u>
17. Other Non-current Liabilities		
Deferred Income	170.17	60.63
Total	<u>170.17</u>	<u>60.63</u>
18a. Borrowings		
From Banks		
Loans repayable on demand	*42,274.80	*18,850.21
Current Maturities	1,314.51	2,736.02
Loans and advances from related parties (Unsecured)	176.30	102.86
Total	<u>43,765.61</u>	<u>21,689.09</u>
18a.1 *Working Capital Borrowings are secured by hypothecation of stock of Raw Materials, Work-in-Progress, Finished Goods, Stores and Book Debts and further secured by 2nd pari-passu charge on fixed Assets of the Company and also personally guaranteed by some of the Directors of the Company.		
18b. Trade Payables		
Micro, Small and Medium Enterprises	138.53	245.79
Others	7,988.19	5,005.25
Total	<u>8,126.72</u>	<u>5,251.04</u>

**Notes to Financial Statements for the year ended 31st March, 2024**

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
-------------	--	--

18b.1 In response to the letters sent to the suppliers seeking to know the status of their coverage under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) the Company has received replies from some of the suppliers. Disclosures as required under Section 22 of the MSMED Act, 2006 are given below:

(₹ in Lacs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
The Principal amount and the interest due thereon unpaid to any supplier		
- Principal Amount	138.53	245.79
- Interest thereon	--	--
The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day	--	--
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	--	--
The amount of interest accrued and remaining unpaid.	--	--
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	--	--

Trade payable ageing schedule as on 31st March, 2024

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	128.61	9.92	--	--	--	138.53
(ii) Others	5,576.68	2,206.50	149.77	38.12	17.12	7,988.19
(iii) Disputed dues - MSME	--	--	--	--	--	--
(iv) Disputed dues-Others	--	--	--	--	--	--
Total	5,705.29	2,216.42	149.77	38.12	17.12	8,126.72

Trade payable ageing schedule as on 31st March, 2023

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	106.00	139.79	--	--	--	245.79
(ii) Others	4,549.89	394.54	40.90	2.26	17.66	5,005.25
(iii) Disputed dues - MSME	--	--	--	--	--	--
(iv) Disputed dues-Others	--	--	--	--	--	--
Total	4,655.89	534.33	40.90	2.26	17.66	5,251.04

**Notes to Financial Statements for the year ended 31st March, 2024**

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
18c. Other Financial Liabilities		
Unpaid Dividend	35.86	60.16
Due to Employees	2,056.71	2,037.13
Others	1,072.68	994.77
Total	3,165.25	3,092.06
18c.1 Unclaimed Dividend do not include any amount due and outstanding to be credited to Investor's Education and Protection Fund.		
19. Other Current Liabilities		
Statutory dues payables	533.97	485.20
Advance from customers	228.16	482.92
Deferred Income	41.62	28.08
Others	1.26	19.14
Total	805.01	1,015.34
20. Provisions		
Provision for Employee Benefits	198.09	222.19
Total	198.09	222.19
21. Revenue from Operations		
Sale of Products	140,223.98	168,755.95
Sale of services	866.95	1,204.23
Miscellaneous sales	5,330.87	6,416.15
Other operating revenue		
Export Incentives	754.38	1,011.04
Total	147,176.18	177,387.37
21.1 Details of Products Sold		
Yarn	53,917.97	71,780.75
Fabrics	66,732.48	77,505.80
Sugar	17,008.97	17,842.20
Others	8,762.38	9,247.58
Total	146,421.80	176,376.33
22. Other Income		
Interest income	748.82	190.53
Dividend Income	19.32	19.32
Rental Income	1,833.26	1,326.40
Profit on sale of Fixed Assets	426.50	2,752.33
Profit on sale of Investment	20.66	--
Others	77.40	35.55
Total	3,125.96	4,324.13
23. Cost of Materials Consumed		
Opening stock	11,367.38	32,127.90
Add : Effect of business combination	--	6.71
Add : Purchases (Net)	98,536.52	71,411.45
Less : Closing Stock	23,987.28	11,367.38
Total	85,916.62	92,178.68
23.1 Detail of Cost of Material Consumed		
Fibres	63,119.57	69,780.59
Yarn	7,245.67	7,603.07
Sugarcane	15,196.24	14,319.34
Others	355.14	475.68
Total	85,916.62	92,178.68



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
24. Purchases of stock-in-trade		
Yarn	727.72	1,549.15
Fibre/Waste	474.56	1,543.78
Total	1,202.28	3,092.93
25. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
Opening Stock		
Work-in-progress	3,156.02	4,346.77
Finished Goods	24,782.46	33,489.83
Add: Effect of business combination	--	32.95
Sub Total	27,938.48	37,869.55
Less: Closing Stock		
Work-in-progress	3,957.38	3,156.02
Finished Goods	25,306.11	24,782.46
Sub Total	29,263.49	27,938.48
Total	(1,325.01)	9,931.07
26. Employee Benefits Expense		
Salary, Wages and Other Allowances	14,804.35	14,703.85
Contribution to provident and other funds	1,685.71	1,714.67
Staff welfare expenses	183.62	157.01
Staff Recruitment & Development expenses	4.83	6.95
Total	16,678.51	16,582.48
27. Finance cost		
Interest Expense	2,564.65	3,376.33
MTM loss/(gain) on forward Contracts	0.82	15.03
Other Borrowings Cost	301.97	374.76
Total	2,867.44	3,766.12
28. Other expenses		
a. Manufacturing Expenses		
Consumption of Stores, consumables & spare parts	12,071.17	13,480.14
Power and Fuel	18,911.08	19,048.68
Handling and Restacking charges	297.86	337.10
Machinery Repairs and Maintenance	760.00	1,021.15
Sub Total	32,040.11	33,887.07
b. Administrative & Other Expenses		
Rent	36.19	13.11
Rates & Taxes	564.82	253.46
Insurance	645.99	695.72
Legal & Professional Expenses	301.70	234.56
Travelling & Conveyance*	548.51	547.64
Vehicle Repair & Maintenance	1,438.20	1,626.85
Repairs and Maintenance	371.68	544.25
Payment To Auditor	17.58	16.88
Loss on Sale/Discard of Fixed Assets	125.80	128.55
Directors' Remuneration**	1,151.26	744.47
Directors' Meeting Fees	3.40	5.70
Charity & Donation	0.05	404.35
Miscellaneous Expenses	272.57	229.50
Sub Total	5,477.75	5,445.04

*Include Directors' Travelling of ₹216.84 Lacs (Previous Year ₹306.86 Lacs)

** Include ₹60.00 lacs commission provided during the year (Previous year ₹135.00 Lacs)



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
c. Selling Expenses		
Forwarding and Octroi	1,018.00	1,237.87
Commission & Brokerage	503.87	530.57
Sub Total	<u>1,521.87</u>	<u>1,768.44</u>
Total (a+b+c)	<u>39,039.73</u>	<u>41,100.55</u>
28.1 Payment to Auditors		
As Auditor:		
Audit fee	11.21	11.21
Tax audit fee	4.79	3.29
In other capacity	0.56	1.34
Reimbursement of expenses	1.02	1.04
Total	<u>17.58</u>	<u>16.88</u>
29. Tax Expense		
Current Tax	295.00	1,860.00
Deferred Tax	(106.27)	323.04
Total	<u>188.73</u>	<u>2,183.04</u>
29.1 Reconciliation of tax liability of book profit/(Loss) vis-a-vis actual Tax Liability		
Accounting Profit Before Tax	1,339.98	10,226.17
Enacted Tax Rate	25.168%	25.168%
Current Tax	337.25	2,573.72
Less : Reversal of deferred tax on temporary differences etc.	148.52	390.68
Income Tax reported in the Statement of Profit & Loss	<u>188.73</u>	<u>2,183.04</u>
30. CONTINGENT LIABILITIES NOT PROVIDED FOR :		
a) Letter of Credits in favour of suppliers and others ₹ 1,437.41 (Previous Year Nil)		
b) Bank Guarantees in favour of suppliers and others ₹ 1,954.68 Lacs (Previous Year ₹ 1,513.98 Lacs)		
c) Sales tax demands against which the company has preferred appeals ₹ 57.74 Lacs (Previous Year ₹ 57.74 Lacs)		
d) Income tax demands against which the company has preferred appeals ₹ 10,976.31 Lacs (Previous Year ₹ 203.65 Lacs)		
e) The Central Excise Authorities have issued show cause notices to the Company for ₹ 522.82 Lacs on various matters under the Central Excise Rules (Previous Year ₹ 522.82 Lacs). The Company has filed suitable reply with the concerned authorities.		
f) The Company has executed bonds / legal undertakings for an aggregate amount of ₹ 83.11 Lacs (Previous Year ₹ 83.11 Lacs) in favour of the President of India for fulfilment of its obligation under the rules made Central Excise Act, 1944 and Customs Act, 1962.		
g) Claims of ₹ 3,976.09 Lacs (Previous Year ₹ 3,866.58 Lacs) lodged against the company on various matters are not acknowledged as debts. The company has filed suitable replies with the concerned authorities.		
h) Employees State Insurance corporation has raised demand of ₹ 124.62 Lacs (Previous Year ₹ 124.62 Lacs) The Company deposited ₹ 94.64 Lacs against the said demand . The company has filed the Civil Suit before the Civil Judge (Sr. Div.), ESI Court , Ludhiana. Now transfer from Ludhiana court to Dera Bassi court.		
i) Advances recoverable amount includes ₹ 609.56 Lacs (Previous Year ₹ 609.56 Lacs) on account of GST paid under protest as mentioned in the Note No. 32 (i) of the balance sheet as at 31st March, 2019.		
31. Capital Commitment		
Estimated amount of contracts in capital account (net of advances/LC issued) remaining to be executed and not provided for ₹ 1,313.69 Lacs (Previous Year ₹ Nil Lacs).		



Notes to Financial Statements for the year ended 31st March, 2024

32. The Company has undertaken export obligations of ₹ 2,444.51 Lacs (Previous Year ₹ 2,444.51 Lacs) to export goods against the issuance of Import Licenses / Advance Licenses for the Import of Raw Materials. Out of this, export obligations of ₹ 864.82 Lacs (Previous Year ₹ 864.82 Lacs) have been fulfilled up to 31 March, 2024.
33. The Company has considered the possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position and recoverability of the carrying value of its assets on account of future uncertainties in the Global Market, based on the internal and external sources of information and application of the reasonable estimates, the company does not foresee presently any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future.
34. In the opinion of the Board of Directors, the Current Assets and Loans & Advances have a value on realization in the ordinary course of business at least equal to the value at which they are stated in the foregoing Balance Sheet, unless stated otherwise.
35. Export/domestic bills discounted during the year under Letter of Credit outstanding as on 31.03.2024 for ₹ 1,587.03 Lacs (Previous Year ₹ 2,959.12 Lacs) have been reduced from Bank Borrowings and correspondingly from Sundry Debtors.
36. **Earnings Per Share (EPS) (Ind AS-33)**

Particulars	2023-24	2022-23
Profit after Tax (₹ in Lacs)	961.68	7,927.04
Weighted average no. of ordinary shares	43,205,581	39,853,609
Weighted average no. of diluted shares	43,205,581	39,853,609
Nominal value of ordinary share (₹)	10.00	10.00
Basic / Diluted Earning Per Share (₹)	2.23	19.89

37. **Segment Information as required by Ind AS-108 “Operating Segments” and compiled on the basis of the financial statements is as under :-**

	(₹ in Lacs)							
	Textile		Sugar		Others		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Segment Revenue								
Total Revenue	126,285.79	156,282.83	20,662.47	20,561.30	33.11	11.83	146,981.37	176,855.96
Less: Inter Segment Revenue							559.57	479.63
Net Revenue							146,421.80	176,376.33
Segment Results								
Profit/ (Loss) before interest & tax	461.64	13,028.25	2,412.00	1,389.68	1,333.78	(425.64)	4,207.42	13,992.29
Less: Interest							2,867.44	3,766.12
Profit / (Loss) Before tax							1,339.98	10,226.17
Segment Assets	108,812.98	97,941.63	15,991.58	16,202.84	39,752.96	20,724.92	164,557.52	134,869.39
Segment Liabilities	43,016.32	22,310.73	10,916.54	5,532.13	1,615.51	1,067.48	55,548.37	28,910.34
Capital Employed								
Segment Assets- Segment Liabilities	65,796.66	75,630.90	5,075.04	10,670.71	38,137.45	19,657.44	109,009.15	105,959.05



Notes to Financial Statements for the year ended 31st March, 2024

- 38. Related Party Disclosures as required by INDAS-24 as under: -**
- (a) Disclosure of Related Parties and relationship between the parties.
- 1. Associates:** J.L. Growth Fund Limited, Vardhman Investment Limited, Atam Vallabh Financers Limited, OWM Renew LLP*
 - 2. Key Management Personnel:** Sh. Jawahar Lal Oswal (Chairman), Sh. Kamal Oswal (Vice Chairman-cum-Managing Director), Sh. Abhinav Oswal (Executive Director), Sh. Dinesh Oswal (Non-Executive Director), Sh. Dinesh Gogna (Non-Executive Director), Sh. Navdeep Sharma (Non-Executive Director), Sh. Parvinder Singh Pruthi (Non-Executive Director), Dr. Suresh Kumar Singla (Non-Executive Director), Sh. Ved Parkash Gaur (Non-Executive Director resigned w.e.f. 15.07.2023), Dr. Anchal Kumar Jain (Non Executive Director joined w.e.f. 27.09.2023), Mrs. Manisha Gupta (Non-Executive Director), Dr. Roshan Lal Behl (Non-Executive Director), Dr. Y.P. Sachdeva (Non-Executive Director), Sh. Bharat Bhushan Gupta (Chief Financial Officer), Sh. Mukesh Sood (Company Secretary)
 - 3. Relatives of Key Management Personnel:** Mrs. Abhilash Oswal, Mrs. Manisha Oswal, Mrs. Ritu Oswal, Mrs. Ruchika Oswal, Mrs. Monika Oswal, Mr. Rishabh Oswal, Mrs. Sanjana Oswal, Mrs. Ishita Oswal.
 - 4. *Enterprises in which Key Management Personnel and relative of such personnel is able to exercise significant influence or control:** Oswal Woollen Mills Ltd., Nahar Spinning Mills Ltd., Monte Carlo Fashions Limited, Hug Foods Pvt. Ltd., Nagdevi Trading & Investment Co. Ltd., KMRA Associates LLP, OWM Poly Yarn Ltd., Nahar Industrial Infrastructure Corporation Ltd., Oswal Foundation (Regd.).
- b) Detail of transactions entered into with related parties during the year**:

Particulars	Associates		Key Management Personnel		Enterprises in which Key Management Personnel and relative of such personnel is able to exercise significant influence or control		Relative of Key Management Personnel	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Purchase of goods/services	716.19	474.05	--	--	4,838.37	4,448.88	--	--
Sales of Goods	--	--	--	--	3,153.10	12,052.09	--	--
Purchase of fixed assets	--	--	--	--	3,324.32	133.07	--	--
Sale of fixed assets	--	--	--	--	116.37	2,009.83	--	--
Freight Income	--	--	--	--	500.05	709.55	--	--
Sale of FMP/FMS license	--	--	--	--	257.98	246.60	--	--
Processing charges received	--	--	--	--	221.21	160.40	--	--
Interest Expenses	--	--	--	--	10.68	26.49	--	--
Dividend Received	--	--	--	--	19.32	19.32	--	--
Rent received	--	--	15.00	15.00	306.29	228.68	--	--
Rent Paid	--	--	--	--	20.00	--	--	--
Reimbursement of Expenses Received	--	--	--	--	623.93	213.78	--	--
Reimbursement of Expenses Paid	--	--	--	--	57.90	9.59	--	--
Director Meeting Fee	--	--	4.01	6.73	--	--	--	--
Remuneration	--	--	--	--	--	--	49.15	43.56
Loan received	--	--	--	--	213.43	130.77	--	--
Loan re-paid	--	--	--	--	140.00	2,063.00	--	--
Investment in Preference Share	--	--	--	--	2,000.00	2,000.00	--	--
Charity & Donation	--	--	--	--	--	100.00	--	--
Corporate Social Responsibility (CSR) Activities	--	--	--	--	170.00	102.58	--	--
Balance Receivable/(Payable) (net)	129.82	130.23	--	--	533.23	587.11	--	--

* Related parties with whom transaction has taken place during the year
 ** All transactions are inclusive of taxes wherever applicable.



Notes to Financial Statements for the year ended 31st March, 2024

Remuneration of KMP

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
i) Short Term benefits	1,208.77#	801.63#
ii) Post Employment Benefits	64.96	63.69
Total	1,273.73	865.32

Includes Remuneration, commission and perks paid to Vice Chairman-cum-Managing Director and Executive Director of ₹ 1,154.07 Lacs during the current year and ₹ 747.59 Lacs during the previous year

39. Material accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profit for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

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, including the discounted cash flow model, which involve various judgements and assumptions.



Notes to Financial Statements for the year ended 31st March, 2024

40. Post Retirement Benefits Plan (Ind AS 19)

Defined Benefit Plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognized funds in India.

Particulars	31st March 2024 (₹ in Lacs)	31st March 2023 (₹ in Lacs)
Changes in defined benefit obligation		
Present value obligation as at the start of the year	3,800.21	3,532.30
Interest cost	236.41	217.55
Current service cost	392.16	397.72
Acquisitions (Credit) cost	--	19.54
Actuarial loss/(gain) - Experience Changes	(150.06)	(19.32)
Actuarial loss / (gain) Financial Assumption	37.52	(42.35)
Benefits paid	(444.35)	(305.23)
Present value obligation as at the end of the year	3,871.89	3,800.21
Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	3,903.63	3,512.68
Acquisitions (Credit) cost	--	84.63
Interest income on plan assets	239.56	231.91
Employer Contributions	(2.25)	357.92
Return on plan assets (greater)/lesser than discount Rates	32.62	21.72
Benefits paid	(444.35)	(305.23)
Fair value of plan assets as at the end of the year	3,729.21	3,903.63
Breakup of Actuarial (gain)/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	37.52	(42.35)
Actuarial (gain)/loss on arising from experience adjustment	(150.06)	(19.32)
Return on plan assets (greater)/lesser than discount rate	(32.62)	(21.72)
	(145.16)	(83.39)
Net Asset/(Liability) recognized in Balance Sheet		
Present value obligation as at the end of the year	3,871.89	3,800.21
Fair value of plan assets as at the end of the year	3,729.21	3,903.63
Net Asset/(Liability) in Balance Sheet	(142.68)	103.42



Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
Amount recognized in the statement of profit and loss		
Current service cost	392.16	397.72
Interest cost	236.41	217.55
Interest Income on plan assets	(239.56)	(231.91)
	389.01	383.36
(Income)/Expense recognized in the statement of profit and loss		
Remeasurements recognized in the statement of Other Comprehensive Income (OCI)		
Experience Adjustments	(150.06)	(19.32)
Changes in Financial Assumptions	37.52	(42.35)
Return on plan assets (greater)/lesser than discount Rates	(32.62)	(21.72)
	(145.16)	(83.39)
Net Loss/(Gain) recognized in other comprehensive income		
Plan assets information		
Insurer Manage Funds	100%	100%
Actuarial assumptions		
Discount rate	6.90%	7.10%
Salary Escalation Rate	7.50%	7.50%
Employee turnover Rate	12.00%	12.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis for gratuity liability

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are :

Impact of the change in discount rate

a) Impact due to increase of 0.50%	(92.39)	(92.88)
b) Impact due to decrease of 0.50%	97.23	97.81

Impact of change in salary Escalation Rate

a) Impact due to increase of 0.50%	92.67	93.30
b) Impact due to decrease of 0.50%	(89.09)	(89.89)

Impact of change in Employee turnover Rate

a) Impact due to increase of 0.50%	(43.20)	(37.20)
b) Impact due to decrease of 0.50%	54.59	44.25

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.



Notes to Financial Statements for the year ended 31st March, 2024

Weighted average duration of defined plan obligation (based on discounted cash flow)

Gratuity 6 Years 6 Years

The following are the expected future benefits payments for the defined benefit plan : (₹ in Lacs)

Particulars	31st March 2024	31st March 2023
Description		
March 31, 2024	--	771.01
March 31, 2025	804.76	491.66
March 31, 2026	515.83	521.21
March 31, 2027	513.50	539.10
March 31, 2028	577.17	617.05
March 31, 2029	589.24	--
March 31, 2029 to March 31, 2033	--	3,130.01
March 31, 2030 to March 2034	3,056.79	--

41. Fair Value Measurement

(a) Financial Instruments by category and hierarchy

For amortised cost instruments, carrying value represents the best estimate of fair value. (₹ in Lacs)

Particulars	As At 31st March, 2024			As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments*						
- Equity instruments	--	8.54	--	--	7.14	--
- Preference Shares	--	--	4,000.31	--	--	2,000.31
Other Financial Assets (Non Current)	--	--	1,948.97	--	--	1,837.77
Trade receivables	--	--	16,024.51	--	--	16,365.94
Investment (Current)	2,460.61	--	--	613.81	--	--
Cash and cash equivalents	--	--	354.64	--	--	52.42
Other Bank Balances	--	--	352.31	--	--	268.20
Loans (Current)	--	--	908.85	--	--	79.35
Other financial assets (Current)	3.68	--	24.42	4.50	--	8.64
Total Financial Assets	2,464.29	8.54	23,614.01	618.31	7.14	20,612.63

Particulars	As At 31st March, 2024			As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings (Non current)	--	--	9,430.89	--	--	5,961.28
Security deposit	--	--	489.36	--	--	316.02
Borrowings (Current)	--	--	43,765.61	--	--	21,689.09
Trade payables	--	--	8,126.72	--	--	5,251.04
Unpaid dividend	--	--	35.86	--	--	60.16
Due to Employees	--	--	2,056.71	--	--	2,037.13
Other financial liabilities	--	--	1,072.68	--	--	994.77
Total Financial Liabilities	--	--	64,977.83	--	--	36,309.49

*Investment value exclude investment in associates which are shown at cost in Balance Sheet as per Ind As 27, "Separate Financial Statement"



Notes to Financial Statements for the year ended 31st March, 2024

(b) Fair value hierarchy

The Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows under the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements (₹ in Lacs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Equity instruments	4.51	--	4.03	3.11	--	4.03
Derivative Assets	3.68	--	--	4.50	--	--
Investment (Current)	2,460.61	--	--	613.81	--	--
Total	2,468.80	--	4.03	621.42	--	4.03

Financial assets and liabilities measured at amortised cost for which fair values are disclosed (₹ in Lacs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Preference Shares	--	--	4,000.31	--	--	2,000.31
Other Financial Assets (Non Current)	--	--	1,948.97	--	--	1,837.77
Trade receivables	--	--	16,024.51	--	--	16,365.94
Cash and cash equivalents	--	--	354.64	--	--	52.42
Other Bank Balances	--	--	352.31	--	--	268.20
Loans (Current)	--	--	908.85	--	--	79.35
Other financial assets (Current)	--	--	24.42	--	--	8.64
Total Financial assets	--	--	23,614.01	--	--	20,612.63

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial liabilities						
Borrowings (Non current)	--	--	9,430.89	--	--	5,961.28
Security deposit	--	--	489.36	--	--	316.02
Borrowings (Current)	--	--	43,765.61	--	--	21,689.09
Trade payables	--	--	8,126.72	--	--	5,251.04
Unpaid dividend	--	--	35.86	--	--	60.16
Due to Employees	--	--	2,056.71	--	--	2,037.13
Other Financial Liabilities	--	--	1,072.68	--	--	994.77
Total Financial Liabilities	--	--	64,977.83	--	--	36,309.49



Notes to Financial Statements for the year ended 31st March, 2024

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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 equity securities, contingent consideration and indemnification asset included in level 3.

(c) Fair value of financial assets and liabilities measured at amortised cost (₹ in Lacs)

Particulars	As At 31 st March, 2024		As At 31 st March, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Preference Share	4,000.31	4,000.31	2,000.31	2,000.31
Other financial assets (Non-Current)	1,948.97	1,948.97	1,837.77	1,837.77
Total	5,949.28	5,949.28	3,838.08	3,838.08
Financial liabilities				
Borrowings (Non-Current)	9,430.89	9,430.89	5,961.28	5,961.28
Security deposit	489.36	489.36	316.02	316.02
Total	9,920.25	9,920.25	6,277.30	6,277.30

The carrying amounts of trade receivables, other financial assets & liabilities, trade payables, other bank balances and cash and cash equivalents are considered to be the same as their fair values, due to short term nature. The fair values for loans, security deposits and investments in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk. The fair values of non-current borrowings are based on discounted cash flows using a current borrowings rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

42. Financial risk management objectives and policies

The Company's principle financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments, loans, trade and other receivables, cash & cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



Notes to Financial Statements for the year ended 31st March, 2024

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) 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 long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Variable rate borrowings	52,056.32	26,667.34
Fixed rate borrowings	1,140.18	983.03
Total	53,196.50	27,650.37

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31st March 2024 (₹ in Lacs)	As at 31st March 2023 (₹ in Lacs)	Effect on Profit Before Tax
Increase by 50 basis points	(260.28)	(133.34)	
Decrease by 50 basis points	260.28	133.34	

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payables denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

(i) Particulars of unhedged foreign currency exposure as on the reporting date

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Trade Payable		
-USD	76.66	146.64
-EUR	7.20	3.19
-CHF	14.33	--



Notes to Financial Statements for the year ended 31st March, 2024

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	As at 31st March 2024 (₹ in Lacs)	Effect on Profit Before Tax
		As at 31st March 2023 (₹ in Lacs)
USD Sensitivity		
Decrease by 5%	3.83	7.33
Increase by 5%	(3.83)	(7.33)
EUR Sensitivity		
Decrease by 5%	0.36	0.16
Increase by 5%	(0.36)	(0.16)
CHF Sensitivity		
Decrease by 5%	0.72	--
Increase by 5%	(0.72)	--

ii) Foreign Currency Exposure (Forward Booking)

The foreign currency exposure of the Company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

Category wise Quantitative Data Type Contract	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Forward contracts against Exports (US \$)	1,085.76	1,684.11
Forward contracts against imports (US \$)	5,677.02	--

(B) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk



Notes to Financial Statements for the year ended 31st March, 2024

Financial assets that expose the entity to credit risk:

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Low credit risk on reporting date		
Investments (Non-Current)	8,462.15	6,460.75
Other financial assets (Non-Current)	1,948.97	1,837.77
Trade receivables	16,024.51	16,365.94
Cash and cash equivalents	354.64	52.42
Other bank balances	352.31	268.20
Loans (current)	908.85	79.35
Investment (current)	2,460.61	613.81
Other financial asset (Current)	28.10	13.14
Total	30,540.14	25,691.38
Moderate credit risk	--	--
High credit risk	--	--

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking Credit insurance for domestic sales/letter of credit for export sales, which results in low credit risk. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The company assesses increase in credit risk on an ongoing basis for amount receivable that become past due and default is consider to have occurred when amount's receivable become 365 days past due.

Gross carrying amount of trade receivables (for ageing Refer note no. 9b)

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods.

(₹ in Lacs)

Particulars	As At 31st March 2024	As At 31st March 2023
Floating rate		
(a) Expiring within one year		
(Bank overdraft and other facilities)		
Secured : Cash credit facilities	5,725.20	37,499.79
(b) Expiring beyond one year (Bank loans)		
Secured : Term loan from banks	5,850.02	500.00



Notes to Financial Statements for the year ended 31st March, 2024

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

Particulars						(₹ in Lacs)	
	0-1 Years	1 to 2 Years	2 to 5 Years	More than 5 Years	Total undiscounted contractual cash flows	Carrying amount of liabilities	
Year ended 31st March 2024							
Contractual maturities of borrowings	43,589.30	1,091.12	3,482.80	3,895.03	52,058.25	52,056.32	
Loan & Advances from related party (Unsecured)	176.30	--	--	--	176.30	176.30	
5.5% Non convertible non cumulative Redeemable Preference Share (Unsecured)	--	--	--	4,000.00	4,000.00	963.88	
Contractual maturities of trade payable	8,126.72	--	--	--	8,126.72	8,126.72	
Contractual maturities of security deposit received	--	219.16	495.77	--	714.93	489.36	
Contractual maturities of other financial liabilities	3,129.39	--	--	--	3,129.39	3,129.39	
Unpaid Dividend	35.86	--	--	--	35.86	35.86	
TOTAL	55,057.57	1,310.28	3,978.57	7,895.03	68,241.45	64,977.83	

Particulars						(₹ in Lacs)	
	0-1 Years	1 to 2 Years	2 to 5 Years	More than 5 Years	Total undiscounted contractual cash flows	Carrying amount of liabilities	
Year ended 31st March 2023							
Contractual maturities of borrowings	21,586.23	1,184.61	2,499.76	1,399.24	26,669.84	26,667.34	
Loan & Advances from related party (Unsecured)	102.86	--	--	--	102.86	102.86	
5.5% Non convertible non cumulative Redeemable Preference Share (Unsecured)	--	--	--	4,000.00	4,000.00	880.17	
Contractual maturities of trade payable	5,251.04	--	--	--	5,251.04	5,251.04	
Contractual maturities of security deposit received	--	29.61	383.85	--	413.46	316.02	
Contractual maturities of other financial liabilities	3,031.90	--	--	--	3,031.90	3,031.90	
Unpaid Dividend	60.16	--	--	--	60.16	60.16	
TOTAL	30,032.19	1,214.22	2,883.61	5,399.24	39,529.26	36,309.49	

43. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	(₹ in Lacs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Borrowings	53,196.50	27,650.37
Trade payables	8,126.72	5,251.04
Less: Cash and cash equivalents	354.64	52.42
Net debt (A)	60,968.58	32,848.99
Equity (B)	96,085.35	95,013.62
Capital and net debt (A+B)	157,053.93	127,862.61
Gearing ratio	38.82	25.69



Notes to Financial Statements for the year ended 31st March, 2024

44. The company is covered under the provision of the section 135 of the companies act, 2013.

(₹ in Lacs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
The amount required to be spent	189.57	116.09
The amount spent	189.57	116.09

In accordance with the provisions of section 135 of the Companies Act 2013, the board of directors of the company had constituted a CSR committee. The company had decided to carry out its CSR activities through a consortium formed by group companies as per scheme of CSR. During the financial year 2023-24 there is ₹ 189.57 lacs liability under CSR as calculated under the provisions of section 135 of the Companies Act 2013 and the same has been spent during the year.

45. Reconciliation of changes in liabilities arising from the financing activities including both changes arising from the cash flows and non-cash changes as per the requirement of the IndAS-7 "Statement of Cash Flows"

(₹ in Lacs)

Particulars	Long-term borrowings (Including current maturities)	Short-term borrowings	Total
As at 1st April, 2023	8,800.16	18,850.21	27,650.37
Cash flows:			
Proceeds from borrowings	5,149.98	23,424.59	28,574.57
Proceeds from others	213.43	--	213.43
Repayment of borrowings	(3,186.14)	--	(3,186.14)
Repayment of others	(140.00)	--	(140.00)
Ind AS Adjustment:			
Impact of adjustment on borrowings/preference shares	84.26	--	84.26
As at 31st March, 2024	10,921.69	42,274.80	53,196.49

46. The scheme of Amalgamation (the scheme) between the company (transferee company) and the associate company i.e. Cotton County Retail Ltd. (transferor company) had been approved by the Hon'ble National Company Law Tribunal (NCLT) u/s 230-232 and other applicable provisions of the Companies Act, 2013 vide its order dated February 21, 2023. The scheme become effective upon filing of certified copy of the NCLT order with Registrar of Companies, Chandigarh on 18th March, 2023.

Pursuant to the scheme of amalgamation; the authorised capital of the company stands increased to ₹ 20,550 lacs, 7,620,000 5.5% non-convertible non-cumulative redeemable preference share of ₹ 100/- each held by the transferor company in the transferee company stands extinguished, 10,228,441 equity shares of ₹ 10/- each of transferor company held by the transferee company stands cancelled and the company has allotted 33,70,440 fully paid up equity shares of ₹ 10/- each to the eligible share holders of the transferor company during the F.Y. 2022-23.



Notes to Financial Statements for the year ended 31st March, 2024

47. Additional Regulatory Information :

(a) Ratio

Particulars	Formula	31st March, 2024			31st March, 2023			%Variance
		Numerator (₹ in Lacs)	Denominator (₹ in Lacs)	Ratio	Numerator (₹ in Lacs)	Denominator (₹ in Lacs)	Ratio	
Current ratio (in times)*	Current Assets / Current Liabilities	88,345.47	56,060.68	1.58	69,372.28	31,269.72	2.22	(28.83)
Debt-Equity Ratio (in times)**	Total Debt / Shareholder's Equity	53,196.50	96,085.35	0.55	27,650.37	95,013.62	0.29	89.66
Debt Service Coverage Ratio (in times)	Earnings available for debt service / Debt Service	8,411.71	6,193.58	1.36	16,526.66	10,651.47	1.55	(12.26)
Return on Equity Ratio (in %)***	Net Profit/(Loss) for the year less Preference Dividend (if any) /Average Shareholder's Equity	961.68	95,549.49	1.01	7,927.04	91,922.64	8.62	(88.28)
Inventory Turnover Ratio (in times)	Revenue from Operations/ Average Inventory	147,176.18	49,534.95	2.97	177,387.37	57,991.08	3.06	(2.94)
Trade Receivables Turnover Ratio (in times)	Revenue from Operations / Average Trade Receivables	147,176.18	16,195.23	9.09	177,387.37	22,022.75	8.05	12.92
Trade Payables Turnover Ratio (in times)****	Net Credit Purchases/ Average Trade Payables	99,738.80	6,688.88	14.91	74,504.38	10,409.58	7.16	108.24
Net Capital Turnover Ratio (in times)	Revenue from Operations/ Working Capital	147,176.18	32,284.79	4.56	177,387.37	38,102.56	4.66	(2.15)
Net Profit Ratio (in %)***	Net Profit/ (Loss) for the Period /Revenue from Operations	961.68	147,176.18	0.65	7,927.04	177,387.37	4.47	(85.46)
Return on Capital Employed (in %)***	Earnings before Interest and Tax/ Capital Employed	4,017.85	109,009.14	3.69	13,876.20	105,959.03	13.10	(71.84)
Return on Investment (in %)	Income Generated from Investments/ Average funds invested	1,997.25	19,190.20	10.40	1,358.29	14,405.51	9.43	10.29

* The ratio has been decreased on account of increase in current liabilities.

** The ratio has been increased on account of increase in debt.

*** The ratio has been decreased due to lower profitability.

**** The ratio has been increased on account of increase in purchases.

(b) The title deeds of immovable properties included in Property, Plant, and Equipment are held in the name of the Company, except for as shown in the table below:

Relevant Line Item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in Lacs)	Title Deeds held in the name of	Whether the title deed holder is promoter, director or relative of promoter/ director, or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Land at Village Jalalpur, Lalru Distt. Mohali	1,177.41	Nahar Industrial Infrastructure Corporation Ltd.	No	2006	The company is in process to registered title deed in its name

(c) The company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(d) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

(e) The company has not enter into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.



Notes to Financial Statements for the year ended 31st March, 2024

- (f) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
 - (g) The restrictions related to the number of layers as prescribed under Companies (Restriction on Number of Layers) Rules, 2017 do not apply to our company, not being having any subsidiary.
 - (h) The company has not advanced or loaned or invested funds to any other person(s) or entities, including foreign entities(intermediaries), with the understanding that the intermediary shall;
 - i. 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
 - ii. Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.
 - (i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
 - i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (j) The Company has borrowings from banks and financial institutions on the basis of the security of current assets and movable assets. The Company has complied with the requirement of filing of monthly/ quarterly returns/statements of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts for the year ended March 31, 2024.
 - (k) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
 - (l) The Company has not 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 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - (m) The company has not revalued any of its Property, Plant, and Equipment, or Intangible assets during the year.
 - (n) The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs, and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
 - (o) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 48.** Some balances of Trade Payables, Advances and Trade Receivables are subject to their Confirmation.
- 49.** The Company has used accounting software for maintaining its books of account for the Financial Year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- Further no instance of audit trail feature being tampered with was noted in respect of accounting software.
- 50.** Previous year figures have been regrouped/recasted/rearranged/reclassified wherever considered necessary to make them comparable.

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of
Nahar Industrial Enterprises Limited**

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

Opinion

We have audited the accompanying consolidated Ind AS Financial Statements of Nahar Industrial Enterprises Limited (hereinafter referred to as "the Investor Company") and its associates, which comprise of the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements".)

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the associates referred to, in the other matter paragraph, the aforesaid Consolidated 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, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Investor company and its associates as at 31st March, 2024, and their consolidated profit (including other comprehensive income), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Investor Company and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and by the other auditors in terms of their report referred to in the other matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Key Audit Matters

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

We have not come across with any key audit matter during the audit.

Emphasis of Matter

We draw attention to Note No. 46 to the Consolidated Ind AS Financial Statements, which describe the scheme of amalgamation (the Scheme) between the Company (Transferee Company) and its Associate Company i.e. Cotton County Retail Limited (Transferor Company) which had been approved by the Hon'ble National Company Law Tribunal (NCLT) under section 230-232 and other applicable provisions of the Companies Act, 2013 vide its order dated February 21, 2023.

The Scheme becomes effective upon the filing of the certified copy of the NCLT order with the Registrar of Companies, Chandigarh on March 18, 2023. Our opinion is not modified in respect of this matter.

Information other than the Consolidated Ind AS Financial Statements and Auditor's Report thereon

The Investor Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report, including annexure there to, Report on Corporate Governance and Management Discussion & Analysis Report, but does not include the Consolidated and Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS 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 Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Investor Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, Consolidated changes in Equity and Consolidated Cash Flows of the Investor company in accordance with accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Investor Company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Investor Company and its Associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements 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 Ind AS 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 Ind AS Financial Statements by the Directors of the Investor Company as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the investor company and of its associates are responsible for assessing the ability of the company and of its associates 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 or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Investor company and of its associates are responsible for overseeing the financial reporting process of the investor company and of its associates.

Auditor's Responsibility for the Audit of Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS 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 Financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Investor Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Investor company and its associates to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the Consolidated

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 Investor company and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements including the disclosures, and whether the Consolidated Ind AS 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 the entities or business activities within the investor company and its associates to express an opinion on the Consolidated Ind AS Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Ind AS Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Ind AS Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements.

We communicate with those charged with governance of the Investor Company and such other entities included in the Consolidated Ind AS 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 Consolidated Ind AS 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.

Other Matters

We did not audit the I-GAAP Financial Statements /Information of one of the associates i.e. J.L. Growth Fund Limited, whose Financial Statements/ Financial Information reflects Company's



share of I GAAP profit after tax of ₹ 23.88 Lacs as considered in consolidated Ind AS Financial Statements. The Financial Statement /Financial information has been audited by the other auditor whose report has been furnished to us by the management and our opinion on Consolidated IND AS Financial Statements, in so far as it relates to the amounts and the Disclosures included in respect of this associate is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS Financial Statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit report and on the consideration of the reports of other auditors on the separate financial statements and other financial information of associates, we report to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS Financial Statements;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS Financial Statements.
 - d. In our opinion, the aforesaid consolidated Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Investor Company as on 31st March, 2024 taken on record by the Board of Directors of the Investor Company and the report of the statutory auditor of its associate companies incorporated in India, none of the directors of the Investor company and its associate companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' which is based on the auditor's reports of the Investor Company and its associate companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Investor Company and its Associate Companies internal financial controls over financial reporting;
 - 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 and on the consideration of the reports of the other auditors, we report, that the managerial Remuneration for the year ended 31st March, 2024 has been paid to its directors in accordance with the provisions of section 197 and schedule V 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 Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the separate Financial Statements of the Associates:
 - i. The consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Investor Company, and its associates.
 - ii. The Investor Company and its associates does not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Investor Company during the year ended 31st March, 2024 and there was no amount which was required to be transferred to the Investor Education and Protection Fund by its associates incorporated in India.
 - iv. (a) The respective Managements of the Investor Company, and its associates which are companies incorporated in India, whose financial statements have been audited by us or by other auditors, under the act have represented to us that, to the best of their knowledge and belief, 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 or any of such associates to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Investor Company or any of such associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 47(h) to the Consolidated Ind AS Financial Statements);
(b) The respective Managements of the Investor Company, and its associates which are companies incorporated in India, whose financial statements have been audited by us or by other auditors, under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Investor Company or any of such associates from any person(s) or entity(ies), including foreign entities



- ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Investor Company or any of such associates 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 (Refer Note 47(i) to the Consolidated Ind AS Financial Statements);
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Investor Company and its associates which are companies incorporated in India, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
- v. Since the Investor Company and its associates have not declared or paid any dividend during the year, accordingly, commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 is not applicable.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the associates, the investor company and its associates have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For K R AGGARWAL & ASSOCIATES

Chartered Accountants

FRN NO: 030088N

Vivek Aneja

(Partner)

M.No. 544757

UDIN: 24544757BKACCT2244

Place: Ludhiana

Dated: 30th May, 2024

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of paragraph 3(xxi) of the CARO 2020, in case of following company remarks as stated by the respective auditors in CARO 2020, included in Consolidated Ind AS Financial Statement of the investor company is as under :

Sr.No.	Name	CIN	Investor Company/Associates	Clause number of the CARO report
1.	Nahar Industrial Enterprises Limited	L15143PB1983PLC018321	Investor Company	3(i)(c)

For K R AGGARWAL & ASSOCIATES

Chartered Accountants

FRN NO: 030088N

Vivek Aneja

(Partner)

M.No. 544757

UDIN: 24544757BKACCT2244

Place: Ludhiana

Dated: 30th May, 2024

**“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 Ind AS financial statements of the company as of and for the year ended 31st March, 2024, We have audited the internal financial controls over financial reporting of Nahar Industrial Enterprises Limited (hereinafter referred to as "the Investor Company") and its associate companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the Investor Company and its associate companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Investor company and its associate companies, 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. 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 judgement, including the assessment of the risks of material misstatement of the Consolidated 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 the other auditors of the associate companies, in terms of their reports referred to in the other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Investor Company and its Associates Companies 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 to the best of our information and according to explanations given to us and based on the consideration of reports of the other auditors, the Investor Company and its associate companies, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Investor Company and its associate companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting insofar relates to one associate company which is incorporated in India, is based on the corresponding report of the auditor of such company.

For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN NO:-030088N

Place : Ludhiana
Dated: 30th May, 2024

Vivek Aneja
Partner
M.NO.544757
UDIN: 24544757BKACCT2244



CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2024

Particulars	Note No.	As At 31 st March, 2024 (₹ in Lacs)	As At 31 st March, 2023 (₹ in Lacs)
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	3a	46,823.62	46,041.99
b) Capital work in progress	3b	5,648.21	3,367.05
c) Investment Property	4	13,122.97	7,260.10
d) Intangible assets	5	--	--
e) Financial Assets			
i) Investments	6a	9,677.59	7,661.20
ii) Other financial assets	6b	1,948.97	1,837.77
f) Other non current assets	7	206.13	529.45
Total Non-Current Assets		77,427.49	66,697.56
Current Assets			
a) Inventories	8	56,410.96	42,658.94
b) Financial Assets			
i) Investments	9a	2,460.61	613.81
ii) Trade receivables	9b	16,024.51	16,365.94
iii) Cash and cash equivalents	9c	354.64	52.42
iv) Other bank balances	9d	352.31	268.20
v) Loans	9e	908.85	79.35
vi) Other Financial assets	9f	28.10	13.14
c) Current Tax Assets (Net)	10	143.15	15.24
d) Other Current Assets	11	11,662.34	9,305.24
Total Current Assets		88,345.47	69,372.28
TOTAL ASSETS		165,772.96	136,069.84
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	12	4,340.47	4,340.47
b) Other Equity	13	92,713.74	91,630.53
Total Equity		97,054.21	95,971.00
Liabilities			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	14a	9,430.89	5,961.28
ii) Other Financial Liabilities	14b	489.36	316.02
b) Provisions	15	142.68	--
c) Deferred tax liabilities (Net)	16	2,424.97	2,491.19
d) Other non-current liabilities	17	170.17	60.63
Total Non-Current Liabilities		12,658.07	8,829.12
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	18a	43,765.61	21,689.09
ii) Trade Payables	18b		
a. Total outstanding dues of micro enterprises and small enterprises and		138.53	245.79
b. Total outstanding dues of creditors others than micro enterprises and small enterprises		7,988.19	5,005.25
iii) Other Financial Liabilities	18c	3,165.25	3,092.06
b) Other Current Liabilities	19	805.01	1,015.34
c) Provisions	20	198.09	222.19
Total Current Liabilities		56,060.68	31,269.72
TOTAL EQUITY AND LIABILITIES		165,772.96	136,069.84

The accompanying notes form an integral part of these financial statements 1 to 51

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN : 030088N

For and on behalf of the Board

Vivek Aneja
Partner
M.No. : 544757
Place : Ludhiana
Dated : 30th May, 2024

Mukesh Sood
Company Secretary

Bharat Bhushan Gupta
Chief Financial Officer

Dinesh Gogna
Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st

Particulars	Note No.	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
INCOME			
Revenue from Operations	21	147,176.18	177,387.37
Other Income	22	3,125.96	4,324.13
Total Income		150,302.14	181,711.50
EXPENSES			
Cost of Materials Consumed	23	85,916.62	92,178.68
Purchases of stock-in-trade	24	1,202.28	3,092.93
Change in inventories of Finished Goods, Work-in-Progress and stock in trade	25	(1,325.01)	9,931.07
Employee Benefit Expense	26	16,678.51	16,582.48
Finance Costs	27	2,867.44	3,766.12
Depreciation and Amortisation Expense	3,4,5	4,582.59	4,833.50
Other Expenses	28	39,039.73	41,100.55
Total Expenses		148,962.16	171,485.33
Profit before exceptional items and tax		1,339.98	10,226.17
Exceptional items		--	--
CSR expenses u/s 135 of Companies Act,2013		189.57	116.09
Share of Profit/(Loss) to Associates		27.09	(34.12)
Profit Before Tax		1,177.50	10,075.96
Tax expense	29		
Current tax		307.10	1,871.30
Deferred tax		(102.76)	312.46
Profit After Tax for the period		973.16	7,892.20
Other Comprehensive Income (OCI)			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains/(losses) on defined benefit plans		145.18	83.39
Income tax effect on the above		(36.54)	(20.99)
(ii) Net Gain/(loss) on FVOCI equity instruments		1.41	(1.78)
Income tax effect on the above		--	--
Total Other Comprehensive Income/(Loss)		110.05	60.62
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)		1,083.21	7,952.82
Basic and diluted earnings per equity share (Face value of equity share ₹10 each)	36	2.25	19.80

The accompanying notes form an integral part of these financial statements **1 to 51**

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN : 030088N

For and on behalf of the Board

Vivek Aneja
Partner
M.No. : 544757
Place : Ludhiana
Dated : 30th May, 2024

Mukesh Sood
Company Secretary

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Chief Financial Officer

Dinesh Gogna
Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2024

Particulars	2023-24 (₹ in Lacs)	2022-23 (₹ in Lacs)
(A) Cash Flow from Operating Activities		
Net Profit before Tax	1,177.50	10,075.96
Adjustment for:		
Depreciation	4,582.59	4,833.50
Other Income	(68.40)	(23.67)
Rent	6.26	6.26
Remeasurement of defined benefit plan	145.18	83.39
Sundry balances written off/(written back) (Net)	(3.56)	(17.31)
Profit on sale of Property, Plant and Equipment (Net)	(300.70)	(2,623.78)
Profit on sale of investment	(20.66)	--
Dividend Received	(19.32)	(19.32)
Interest Income	(748.82)	(190.53)
Rent Income	(1,833.26)	(1,326.40)
Interest Expense	2,867.44	3,766.12
Share of (Profit) /Loss of Associates	(27.09)	34.12
Operating Profit before Working Capital Changes	5,757.16	14,598.34
Adjustment for:		
Trade receivable & other assets	(1,935.49)	17,316.60
Inventories	(13,752.01)	30,664.27
Trade Payables & Other Liabilities	3,169.34	(10,678.11)
Cash Generated from operations	(6,761.00)	51,901.10
Direct Taxes Paid	(422.92)	(1,548.48)
Net Cash from Operating Activities	(7,183.92)	50,352.62
(B) Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment (Inc. investment property)	(13,899.56)	(8,509.51)
Sale of property, Plant and Equipment (Inc. investment property)	692.00	3,715.20
Net Increase In asset on amalgamation	--	375.44
Dividend Received	19.32	19.32
Interest Received	744.33	187.17
Rent Income	1,833.26	1,326.40
Loan given	(804.48)	--
Purchase of current investment	(1,791.25)	(610.39)
Purchase of Non-Current investment	(2,000.00)	(2,000.00)
Net cash used in Investing Activities	(15,206.38)	(5,496.37)
(C) Cash Flow from Financing Activities		
Interest Expenses	(2,745.04)	(3,646.18)
Dividend paid	(24.30)	(0.16)
Proceeds from Long Term Borrowings (Net)	2,037.27	(3,011.50)
Changes in Working Capital Borrowings	23,424.59	(38,210.51)
Net Cash used in Financing Activities	22,692.52	(44,868.35)
Net Change in Cash & Cash Equivalents (A+B+C)	302.22	(12.10)
Opening Cash & Cash Equivalents	52.42	64.52
Closing Cash & Cash Equivalents	354.64	52.42

- Notes:** 1. Previous year's figures have been regrouped/rearranged wherever considered necessary, to make them comparable with current year's figures.
2. Figures in brackets represent deduction.
3. Refer note no. 45, debt reconciliation as per Ind AS - 7 "Statement of Cash Flows"

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
Chartered Accountants
FRN : 030088N

For and on behalf of the Board

Vivek Aneja
Partner
M.No. : 544757
Place : Ludhiana
Dated : 30th May, 2024

Mukesh Sood
Company Secretary

Bharat Bhushan Gupta
Chief Financial Officer

Dinesh Gogna
Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)



Consolidated Statement of Changes in Equity for the Year ended 31st March 2024

Particulars	2023-24 (₹ in Lacs)	2022-23 (₹ in Lacs)
A. Equity Share Capital		
Balance at the beginning of the reporting year	4,340.47	4,003.42
Changes in Equity Share Capital during the reporting year	--	*337.05
Balance at the closing of the reporting year	<u>4,340.47</u>	<u>4,340.47</u>

*allotted pursuant to Effect of Business Combination

B. Other Equity

Particulars	Reserve & Surplus				Total
	Security Premium	General Reserve	Retained Earnings	Equity Component of compound Financial Instruments (Preference Share)	
Balance as at 1st April, 2022 (a)	33,454.08	42,592.15	--	9,658.88	85,705.11
Profit for the year	--	--	7,892.20	--	7,892.20
Remeasurement gain/(loss) on Defined benefit plan	--	--	62.40	--	62.40
Other Comprehensive Income/(Loss)	--	--	(1.78)	--	(1.78)
Total Comprehensive Income for the year (b)	--	--	7,952.82	--	7,952.82
Effect of Business Combination	7,763.57	(3,469.97)	--	(6,321.00)	(2,027.40)
Transfer from Retained Earning	--	7,952.82	--	--	7,952.82
Transfer to General Reserve	--	--	(7,952.82)	--	(7,952.82)
Total (C)	7,763.57	4,482.85	(7,952.82)	(6,321.00)	(2,027.40)
Balance as at 31st March, 2023 (d) = (a+b+c)	41,217.65	47,075.00	--	3,337.88	91,630.53
Profit for the year	--	--	973.16	--	973.16
Remeasurement gain/(loss) on Defined benefit plan	--	--	108.64	--	108.64
Other Comprehensive Income/(Loss)	--	--	1.41	--	1.41
Total Comprehensive Income for the year (e)	--	--	1,083.21	--	1,083.21
Transfer from Retained Earning	--	1,083.21	--	--	1,083.21
Transfer to General Reserve	--	--	(1,083.21)	--	(1,083.21)
Total (f)	--	1,083.21	(1,083.21)	--	--
Balance as at 31st March, 2024 (g) = (d+e+f)	41,217.65	48,158.21	--	3,337.88	92,713.74

As per our separate report of even date attached
For K R AGGARWAL & ASSOCIATES
 Chartered Accountants
 FRN : 030088N

For and on behalf of the Board

Vivek Aneja
 Partner
 M.No. : 544757
 Place : Ludhiana
 Dated : 30th May, 2024

Mukesh Sood
 Company Secretary

Bharat Bhushan Gupta
 Chief Financial Officer

Dinesh Gogna
 Director
 (DIN : 00498670)

Kamal Oswal
 Vice Chairman-cum-
 Managing Director
 (DIN : 00493213)



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Note: 1 Background

Nahar Industrial Enterprises Limited (the "Company") incorporated in 1983 is engaged in the business of Textiles and Sugar in India. The company is a public Limited company domiciled in India under the provision of companies Act, 1956. Its shares are listed in recognized stock exchange BSE/NSE of India. The registered office of the company is located in Focal Point, Ludhiana.

Note: 2 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the Company consisting of Nahar Industrial Enterprises Limited (the "Company").

(a) Basis of Preparation**(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act (as amended from time to time).

The financial statements of the company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans-assets measured at fair value.

The Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting Policy hitherto in use.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- (a) Derivative Financial Instruments measured at fair value
- (b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (c) Employee's Defined Benefit Plan as per actuarial valuation

(iii) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to two decimals places to the nearest lacs as per the requirement of division II of Schedule III, unless otherwise stated.

(iv) Recent Pronouncements

The Company applied for the first time the amendments of Ind AS 8, Ind AS 1 and Ind AS 12 and there is no material impact on financials.

For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

(b) Principal of consolidated and equity accounting.**i) Associates**

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investment in associates are accounted for using the equity method of accounting (see (ii) below), after initially being recognized at cost. The financial Statements of Investee companies have been prepared as per I-GAAP accounting principal.

ii) Equity method

Under the equity method of accounting the investments are initially recognized at cost and adjusted thereafter to recognize the company's share of the post-acquisition profit or losses of the investee in profit and loss.

When the company's share of losses in an equity-accounted investment equals or exceeds its interests in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

The carrying amount of equity accounted investment are tested for impairments in accordance with the policy described in note 2 (i) below.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

(c) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption 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 or the most advantageous market must be accessible by the Company.

The fair value of an asset or a 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 assets take in to account a market participant's ability to generate economic benefits by using the assets 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, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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 the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in unquoted equity shares Financial instruments
- Financial instruments

(d) Current versus non-current classification

All assets and liabilities have been classified as current or non current as per company's normal operating cycle and other criteria set out in the division II of Schedule III to the Act.

(e) Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the Written Down Value Method to allocate their cost, net of their residual values, over their useful lives. In case of new projects and major expansion of the existing units undertaken by the Company after 1st April, 2005 till 31st March, 2012, Depreciation charged on the Straight line method. Leasehold land is amortised over period of lease. The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II of the companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

(f) Investment properties

Property that is held for long term rental yields or for capital appreciation or both is classified as investment property. Investment property is measured initially at its cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on the basis of Written Down Value Method based on expected life span of assets which is in accordance with Schedule II of the Companies Act, 2013. Significant parts of the property are depreciated separately based on their specific useful lives. Any gain or loss on disposal of investment properties is recognised in profit or loss account

(g) Intangible assets Computer Software

The Company has capitalised computer software in the nature of software licenses as intangible assets and the cost of software is amortized over the period or 4 years, being their expected useful economic life.

(h) Non- Current Asset 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 a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortised while they are classified as held for sale.

(i) Impairment of Non-financial assets

An impairment loss recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost of disposal and value in use. Impairment losses, if any are recognized in the statement of profit & loss. The impairment assessment for all assets is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

(j) Inventories

Inventories are valued at cost or net realizable value, whichever is lower. However to determine the cost, the following methods are adopted:-

- 1) a) For Raw Material on weighted average method plus direct expenses.
b) For Stores and Spares on weighted average method plus direct expenses.
c) For Work - in - Process, cost of Raw Material plus appropriate share of manufacturing expenses /relevant Overheads/conversion cost depending upon the stage of completion.
- 2) For Finished goods, cost of raw material plus conversion costs, packing cost and other overheads incurred to bring the inventories to their present condition and location.
- 3) Further Wastage are valued at net realizable value only.

(k) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expense in the period in which they are incurred.

(l) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as net over the periods necessary to match them on systematic basis to the cost, which it is intended to compensate. When the grant relates to an

**Consolidated Notes to Financial Statements for the year ended 31st March, 2024**

PPE, the government grant related to property, plant and equipment is presented by deducting the grant in arriving at the carrying amount of the property plant and equipment.

(m) Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A present obligation that arises from past events where it is neither probable that an outflow of resources will be required to settle nor a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non - occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Foreign currency transaction**Initial Recognition:**

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e. Indian Rupees), by applying to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Measurement of foreign currency items at reporting date:

Foreign currency monetary items of the Company are translated at the closing exchange rates. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured.

Exchange differences arising out of these transaction are recognized in the Statement of Profit and Loss.

(o) Revenue recognition

(i) Revenue arises mainly from the sale of manufactured and traded goods.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue as & when performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and service tax, etc.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Sale of goods

Revenue from sale of goods is recognized when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Rendering of services

Revenue from services is recognized as and when the services are rendered and on the basis of contractual terms with the parties.

(ii) Export Incentives- Export incentives are recognized on post export basis.

(iii) Interest income - Interest income from debt instruments is recognized using the effective interest rate method.

**Consolidated Notes to Financial Statements for the year ended 31st March, 2024**

- (iv) **Dividend income** - Dividends are recognized in profit or loss only when the right to receive payment is established.
- (v) **Rental Income**- Rental income is accounted for on accrual basis.
- (vi) **Scrap** (i.e empties, wastage etc. Other than production) is accounted for on sale basis.
- (vii) **Income and other Claims** -Revenue in respect of claims is recognized when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .
- (p) **Short-term leases and leases of low-value assets**
The Company has elected not to recognize ROU assets and lease liabilities for short term leases as well as low value assets and recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.
- (q) **Income Tax**
Income tax expense comprises current income tax and deferred tax.
Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.
Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.
- (r) **Cash and cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand and balances with banks.
- (s) **Trade receivables**
Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment if any. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.
- (t) **Financial instruments**
Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.
Initial Recognition:
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.
Classification and Subsequent Measurement: Financial Assets
The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:
• The entity's business model for managing the financial assets and

**Consolidated Notes to Financial Statements for the year ended 31st March, 2024**

- The contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company assesses on a forward looking basis the expected credit losses associated with its assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 -- Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Classification and Subsequent Measurement: Financial liabilities:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another financial liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(u) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately.

(w) Employee benefits**(i) Short term obligations**

Liabilities for wages and salaries, short term compensated absence and ex-gratia including 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 benefits obligations in the balance sheet.

(ii) Post-employment obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(iii) Defined contribution plans

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the Statement of Profit and Loss.

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker [CODM]. The Operating Segment is the level at which discrete financial information is available. The CODM allocates resources and assess performance at this level. The Company has Operating segments comprising of Textile, Sugar and Others.

(y) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities when payment is due within 12 months after the reporting period. Long term trade payables



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(z) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(aa) Earnings per share**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

The profit attributable to owners of the Company

By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(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 be outstanding assuming the conversion of all dilutive potential equity shares.

Note: 2.1 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable -
- Estimation of defined benefit obligation -
- Recognition of deferred tax assets for carried forward tax losses -

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on Company and that are believed to be reasonable under the circumstances.



Consolidated Notes to Financial Statements for the year ended 31 March, 2024

		3(a). PROPERTY, PLANT AND EQUIPMENT										NET BLOCK	
		GROSS BLOCK					DEPRECIATION BLOCK					(₹ in Lacs)	
Particulars	As at 01.04.2023	As at 31.03.2024	Upto 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023				
Lease Hold Land	123.49	123.49	36.61	--	1.25	--	37.86	85.63	86.88				
Free Hold Land	10,198.14	13,910.69	--	--	--	--	--	13,910.69	10,198.14				
Building	33,752.10	33,881.98	20,604.84	--	839.22	--	21,444.06	12,437.92	13,147.26				
Plant & Machinery	143,314.56	137,794.29	121,408.37	--	3,109.46	6,453.35	118,064.48	19,729.81	21,906.19				
Furniture & Fixtures	955.77	909.70	855.87	--	20.33	45.86	830.34	79.36	99.90				
Office Equipment	1,405.54	1,360.53	1,217.67	--	76.44	99.94	1,194.17	166.36	187.87				
Vehicles	1,893.73	1,764.92	1,477.98	--	148.49	275.40	1,351.07	413.85	415.75				
Total	191,643.33	189,745.60	145,601.34	--	4,195.19	6,874.55	142,921.98	46,823.62	46,041.99				
Previous year	190,844.64	191,643.33	144,106.15	506.19	4,565.03	3,576.03	145,601.34	46,041.99	46,738.49				

3(b). CAPITAL WORK IN PROGRESS (CWIP)		(₹ In Lacs)	
Particulars	As at 31.03.2024	As at 31.03.2023	
CWIP	5,648.21	3,367.05	
Total	5,648.21	3,367.05	

Amount in CWIP for a period of				(₹ In Lacs)
	Less than 1 year	1-2 year	2-3 year	more than 3 years
As at 31st March, 2024	5,648.21	--	--	--
As at 31st March, 2023	3,367.05	--	--	--
Total	5,648.21	--	--	--



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

4. INVESTMENT PROPERTY		(₹ in Lacs)										
		GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK
Particulars	As at 01.04.2023	Effect of Business Combination	Additions During the Year	Sale/ Adjustment during the year	As at 31.03.2024	Up to 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Free Hold Land	754.74	--	*3,775.37	--	4,530.11	--	--	--	--	--	4,530.11	754.74
Building	7,710.63	--	2,474.90	--	10,185.53	1,205.27	387.40	--	--	1,592.67	8,592.86	6,505.36
Total	8,465.37	--	6,250.27	--	14,715.64	1,205.27	387.40	--	--	1,592.67	13,122.97	7,260.10
Previous year	7,157.51	--	1,307.86	--	8,465.37	936.80	268.47	--	--	1,205.27	7,260.10	6,220.71
*Addition during the year included ₹ 0.98 Lacs in Gross Block being Transferred from Property, Plants and Equipments.												
Amount recognised in profit & loss for investment properties:												
Particulars	31.03.2024											
Rental Income	1,820.05											
Direct operating expenses that generated rental income	854.14											
Profit/(loss) from leasing of investment properties	965.91											
5. OTHER INTANGIBLE ASSETS		(₹ in Lacs)										
		GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK
Particulars	As at 01.04.2023	Effect of Business Combination	Additions During the Year	Sale/ Adjustment during the year	As at 31.03.2024	Up to 31.03.2023	Effect of Business Combination	Provided during the year	Adjusted/ Written back during the year	Total upto 31.03.2024	As at 31.03.2024	As at 31.03.2023
Computer Software	559.22	--	--	--	559.22	559.22	--	--	--	559.22	--	--
Total	559.22	--	--	--	559.22	559.22	--	--	--	559.22	--	--
Previous year	458.31	100.91	--	--	559.22	458.31	100.91	--	--	559.22	--	--



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)		As at 31 st March, 2023 (₹ in Lacs)	
6a. Investments				
(i) Investment in Equity Instrument				
Investment in Associates (Unquoted) (Cost)				
180,000 Fully Paid Up Equity shares of ₹ 100/- each of J.L. Growth Fund Limited (Previous Year 180,000)	1,684.80		1,684.80	
Add: Accumulates profit from Associated Company	<u>937.58</u>	2,622.38	<u>913.70</u>	2,598.50
250,000 Fully Paid Up Equity shares of ₹ 100/- each of Vardhman Investment Limited (Previous Year 250,000)	1,475.00		1,475.00	
Add: Accumulates profit from Associated Company	<u>229.06</u>	1,704.06	<u>222.15</u>	1,697.15
164,000 Fully Paid Up Equity shares of ₹ 100/- each of Atam Vallabh Financers Limited (Previous Year 164,000)	1,066.00		1,066.00	
Add: Accumulates profit from Associated Company	<u>148.66</u>	1,214.66	<u>143.53</u>	1,209.53
Sub Total		<u>5,541.10</u>		<u>5,505.18</u>
(ii) Investment in Equity Instrument				
Investments at fair value through OCI				
Investment in others (Quoted)				
12,555 Fully Paid Up Equity shares of ₹ 10/- each of Pasupati Acrylon Ltd. (Previous Year 12,555)		4.49		3.09
50 Fully Paid Up Equity shares of ₹ 10/- each of Malwa Cotton Spinning Mills Limited (Previous Year 50)		0.02		0.02
Sub Total		<u>4.51</u>		<u>3.11</u>
(iii) Investment in Equity Instrument				
Investments at fair value through OCI				
Investment in others (Unquoted)				
30,900- Fully paid up Equity shares ₹ 10/- each of BPL Engineering Ltd. (Previous Year 30,900)		2.80		2.80
22,500- Fully paid up Equity shares ₹ 10/- each of Pertech Computer Ltd. (Previous Year 22,500)		0.23		0.23
7,700 Fully Paid up Equity shares ₹ 10/- each of R.S. Petro Chemical Ltd. (Previous Year 7,700)		0.08		0.08
3,360 - Fully paid up Equity shares ₹ 100/- each of Nagdevi Trading & Investment Co. Ltd. (Previous Year 3,360)		0.51		0.51
3,558,786- Fully paid up Class-'A' Equity shares ₹ 10/- each of VS Lignite Power Pvt. Ltd. (Previous Year 3,558,786)		0.36		0.36
One Fully paid up Equity share ₹ 100/- of Punjab State Co-operative Bank Ltd. (Previous Year One) (Cost ₹ 100)		--		--
One Fully paid up Equity shares ₹ 5,000/- each of Krishna Building Owners Association (Previous Year One)		0.05		0.05
Sub Total		<u>4.03</u>		<u>4.03</u>



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
(iv) INVESTMENT IN CUMULATIVE REDEEMABLE PREFERENCE SHARES (Unquoted)		
At Amortised COST		
3,156,958- Fully paid up Class 'A' 0.01% Cumulative Redeemable Preference Shares ₹ 10 each of VS Lignite Power Pvt. Ltd. (Previous Year 3,156,958)	0.31	0.31
Sub Total	0.31	0.31
(v) INVESTMENT IN CUMULATIVE REDEEMABLE PREFERENCE SHARES (Unquoted)(Others)		
At Amortised COST		
4,000,000- Unlisted 5% Non - Cumulative Redeemable Preference Share face value of ₹ 100/- each at par Fully paid up Owm Poly Yarn Limited (Previous Year 4,000,000 Partly paid up of ₹ 50/- each)	4,000	2,000
Sub Total	4,000	2,000
(vi) Investment in Limited liability partnership (LLP) Unquoted (Cost)		
26% share of own renew (LLP)	227.50	227.50
Add :Accumulated profit/ Loss from Associated Company	(99.86)	(78.93)
Sub Total	127.64	148.57
TOTAL (i+ii+iii+iv+v+vi)	9,677.59	7,661.20
1. Market Value of Quoted Investment	4.51	3.11
2. Aggregate amount of Unquoted Investment	9,673.08	7,658.09
3. Aggregate amount of Total Investment	9,677.59	7,661.20
6b. Other Financial Assets (Unsecured, considered good)		
Security deposits	1,948.97	1,837.77
Total	1,948.97	1,837.77
7. Other Non-Current Assets		
Capital Advances	12.85	335.56
Prepaid Lease Rentals	--	6.26
Prepaid Expense	193.28	187.63
Total	206.13	529.45
8. Inventories (As taken, valued and approved by management)		
Raw Materials	23,987.28	11,367.38
Work-in-Progress	3,957.38	3,156.02
Finished Goods	25,306.11	24,782.46
Stores and Spares	3,160.19	3,353.08
Total	56,410.96	42,658.94
8.1 Detail of Inventory-Finished Goods		
Yarn	4,406.79	4,794.12
Fabrics	7,654.96	6,632.16
Sugar	10,856.75	11,295.20
Other	2,387.61	2,060.98
Total	25,306.11	24,782.46


Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
9a. Investments		
Investment in Debentures /Bonds (Quoted) at fair value through Profit and Loss		
i. 20 Units of ₹ 1,000,000/- each of 9.10% Tata International Ltd. Perpetual bond (Previous Year 20 Units)	200.00	200.96
ii. 50 Units of ₹ 1,000,000/- each of 9.95% U.P. Power Corporation Limited bond (Previous Year 20 Units)	519.50	205.69
iii. 26,300 units of ₹ 900/- each of 6.75% Pirammal Capital and Housing Finance Limited Debenture (Previous Year 26,300)	198.03	207.16
iv. 300,000 units of ₹ 100/- each of 7.26% Govt. of India 32584 GOI 06FB33 (Previous Year Nil)	306.00	--
v. 300,000 units of ₹ 100/- each of 7.54% Govt. of India 31636 GOI 23MY36 (Previous Year Nil)	318.54	--
vi. 30 Units of ₹ 1,000,000/- each of Lumbini Education Private Ltd. (Previous Year Nil)	278.00	--
vii. 20 Units of ₹ 1,000,000/- each of Altena Management Pvt. Ltd. SR A RR NCD 30SP27 (Previous Year Nil)	200.00	--
viii. 29 Units of ₹ 1,000,000/- each of Incred Financial Services Ltd. SR06 BR NCD 26APR24 (Previous Year Nil)	360.52	--
ix. 26.659 Units of ₹ 105,030/- each of Ask Private Credit Fund AIF-II (Previous Year Nil)	27.47	--
x. 9,670.0505 Units of ₹ 103.41 each of UTI Structured Debt Opportunities Fund III Class F1 (Previous Year Nil)	10.00	--
xi. 250 Units of ₹ 10,000/- each of Emerging Credit Investment Trust Credit Structured INC PRTFL FD CLR1 (Previous Year Nil)	25.00	--
xii. 17.556 Units of ₹ 100,000/- each of Axis Alternative Investment Fund CAT-II (Axis Structure Credit AIF-II A2) (Previous Year Nil)	17.55	--
Total	2,460.61	613.81
Market value of quoted investment	2,460.61	613.81
9b. Trade receivables (Unsecured, considered good)		
Total	16,024.51	16,365.94

Trade Receivables Ageing Schedule as on 31st March, 2024

(₹ in Lacs)

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	14,326.86	1,496.06	188.69	4.25	3.82	4.83	16,024.51
(ii) Undisputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--	--
(iv) Disputed Trade Receivables - considered good	--	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--	--

Trade Receivables Ageing Schedule as on 31st March, 2023

(₹ in Lacs)

Particulars	Not Due	Outstanding for following periods from the due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	14,505.58	1,734.53	93.37	23.05	0.57	8.84	16,365.94
(ii) Undisputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(iii) Undisputed Trade Receivables - credit impaired	--	--	--	--	--	--	--
(iv) Disputed Trade Receivables - considered good	--	--	--	--	--	--	--
(v) Disputed Trade Receivables - which have a significant increase in credit risk	--	--	--	--	--	--	--
(vi) Disputed Trade Receivables - credit impaired	--	--	--	--	--	--	--



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
9c. Cash and cash equivalents		
Balances with banks - current accounts	322.28	35.66
Cash-in-Hand	32.36	16.76
Total	354.64	52.42
9d. Other bank balances		
Unpaid Dividend Account	35.86	60.16
Fixed deposit having original maturity more than 3 months but less than 12 months	*316.45	208.04
Total	352.31	268.20
*Lien with HDFC Bank under EMI DSRA Loan.		
9e. Loans		
(Unsecured, considered good)		
Loans to employees	104.37	79.35
Loans to others	804.48	--
Total	908.85	79.35
9f. Other Financial assets		
(Unsecured, considered good)		
FDR Interest accrued	24.42	8.64
Derivative Assets	3.68	4.50
Total	28.10	13.14
10. Current tax assets (Net)		
Advance Income Tax/TDS Certificate	143.15	15.24
Total	143.15	15.24
11. Other current assets		
Advances to suppliers	6,278.56	3,444.43
Advances to employees	51.41	50.57
Balance with government authorities	4,996.13	5,297.57
Prepaid expenses	284.97	349.16
Prepaid Lease rentals	6.26	6.26
Gratuity fund	--	103.43
Expense recoverable	45.01	53.82
Total	11,662.34	9,305.24
12. Authorized Share Capital :		
100,000,000 Equity Shares of ₹ 10/- each (Previous Year 100,000,000)	10,000.00	10,000.00
10,550,000 Preference Shares of ₹ 100/- each (Previous Year 10,550,000)	10,550.00	10,550.00
Total	20,550.00	20,550.00
Issued, Subscribed and Fully Paid up:		
43,205,581 Equity Shares of ₹ 10/- each (Previous Year 39,835,141)	4,320.56	3,983.51
Add: Nil Equity Shares of ₹10/- each allotted pursuant to Effect of Business Combination (Previous Year 3,370,440)	--	337.05
Add: Share Forfeited Account (Amount originally paid up)	19.91	19.91
Total	4,340.47	4,340.47
4,000,000 Unlisted 5.5% Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 100/- each (Previous Year 4,000,000)	*4,000.00	4,000.00
Total	4,000.00	4,000.00



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

* ₹ 3,337.88 Lacs (Previous Year ₹ 3,337.88 Lacs) shown as Equity Component of Compound financial instruments under the head Other Equity (note no. 13)

* ₹ 963.88 Lacs (Previous Year ₹ 880.17 Lacs) shown as Liability Component of Compound financial instruments under the head Borrowings (note no. 14a(i))

* ₹ 12.93 Lacs (Previous year ₹ 12.93 Lacs) being statutory fees paid in earlier years was reduced and shown as net in Rate & Taxes as per Ind-AS

* ₹ 314.69 Lacs (Previous Year ₹ 230.98 Lacs) shown as interest expense provided under the head finance cost as per Ind-AS

a. Reconciliation of the number of Shares outstanding :

Equity Shares

At the beginning of the year	43,205,581	39,835,141
Add: Shares pursuant to Effect of Business Combination in Previous Year	--	3,370,440
Outstanding at the end of year	<u>43,205,581</u>	<u>43,205,581</u>

Preference Shares

At the beginning of the year	4,000,000	11,620,000
Less: Shares pursuant to Effect of Business Combination in Previous Year	--	7,620,000
Outstanding at the end of year	<u>4,000,000</u>	<u>4,000,000</u>

b. Terms/rights attached to Shares:

Equity Shares

The Company has only one class of Equity Shares having Face value of ₹ 10/- each. Holder of Equity Share is entitled to only one vote per share.

Preference Shares

The Company has Issued 5.5% Unlisted Non-Convertible Non-Cumulative Redeemable Preference Shares of the face value of ₹ 100/- each (NCNCRPS).

NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company.

c. Detail of Shareholders holding more than 5% shares:

Particulars	As At 31st March, 2024		As At 31st March, 2023	
	Number of Shares	% of holding	Number of Shares	% of holding
Shareholders				
Equity Share				
J.L. Growth Fund Ltd.	7,476,586	17.30	7,476,586	17.30
Vardhman Investment Ltd.	4,770,131	11.04	4,770,131	11.04
Nagdevi Trading & Investment Co. Ltd.	2,386,839	5.52	2,386,839	5.52
Kovalam Investment & Trading Co. Ltd.	6,189,679	14.33	6,189,679	14.33
Atam Vallabh Financiers Ltd.	4,007,679	9.28	4,007,679	9.28
Vanaik Investor Ltd.	3,221,486	7.46	3,221,486	7.46
Preference Share				
Nahar Capital & Financial Services Ltd.	4,000,000	100.00	4,000,000	100.00



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

d. Disclosure of Shareholding of Promoters in Equity Shares.

Promoter Name	As At 31st March, 2024		As At 31st March, 2023		% change during the Year
	Number of Shares	% of holding	Number of Shares	% of holding	
Equity Share					
Jawahar Lal Oswal	1,000	--	1,000	--	--
Kamal Oswal	1,294	--	1,294	--	--
Dinesh Oswal	1,000	--	1,000	--	--
Manisha Oswal	1,000	--	1,000	--	--
Rishabh Oswal	9,039	0.02	9,039	0.02	--
Abhinav Oswal	9,039	0.02	9,039	0.02	--
Sanjana Oswal	9,039	0.02	9,039	0.02	--
Sambhav Oswal	500	--	500	--	--
Tanvi Oswal	500	--	500	--	--
Ritu Oswal	500	--	500	--	--
J.L. Growth Fund Ltd.	7,476,586	17.30	7,476,586	17.30	--
Vardhman Investment Ltd.	47,70,131	11.04	47,70,131	11.04	--
Oswal Woollen Mills Ltd.	2,094,819	4.85	2,094,819	4.85	--
Nagdevi Trading & Investment Co. Ltd.	2,386,839	5.52	2,386,839	5.52	--
Kovalam Investment & Trading Co. Ltd.	6,189,679	14.33	6,189,679	14.33	--
Atam Vallabh Financiers Ltd.	4,007,679	9.28	4,007,679	9.28	--
Vanaik Investor Ltd.	3,221,486	7.46	3,221,486	7.46	--
Nahar Growth Fund Pvt. Ltd.	245,792	0.57	245,792	0.57	--
Abhilash Growth Fund Pvt. Ltd.	355,143	0.82	355,143	0.82	--
Total	30,781,065	71.24	30,781,065	71.24	

13. Other Equity

Securities Premium Account

Balance as per last Balance Sheet	41,217.65	33,454.08	
Add: Effect of Business Combination	--	7,763.57	
		41,217.65	41,217.65

Equity Component of Compound financial instruments (Preference Shares)

Balance as per last Balance Sheet	3,337.88	9,658.88	
Less: Effect of Business Combination	--	6,321.00	
	3,337.88	3,337.88	3,337.88



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
General Reserve		
Balance as per last Balance Sheet	47,075.00	42,592.15
Add: Transfer from Retained Earning	1,083.21	7,952.82
Less: Effect of Business Combination	--	3,469.97
	48,158.21	47,075.00
Retained Earnings		
Balance as per last Balance Sheet	--	--
Add: Profit for the year	973.16	7,892.20
Add: Remeasurement gain/(loss) on defined benefit plan	108.64	62.40
Add: Other Comprehensive income	1.41	(1.78)
Balance Transferred to General Reserve	(1,083.21)	(7,952.82)
	--	--
Total	92,713.74	91,630.53
14a. Borrowings		
*Term loans (Secured)		
From Banks	8,467.01	5,081.11
Others Unsecured		
i) Liability component of Compound financial instruments Unlisted 5.5% Non-Convertible Non-Cumulative Redeemable Preference Share (NCNCRPS)	963.88	880.17
Total	9,430.89	5,961.28

*There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

14a.1 Repayment terms and security disclosures for the outstanding long-term borrowings (including current maturities) as on 31st March, 2024.

Terms of repayment of long term borrowings:

i) Terms of Repayment of term loans

As At 31st March, 2024 (₹ in Lacs)*	Repayment Period from origination (years)	Installments outstanding as on 31st March, 2024	
		No.	Periodicity
1,041.98	5	13	Quarterly
1,580.63	7	60	Monthly
287.04	8	72	Monthly
1,426.78	8.5	80	Monthly
398.67	8	72	Monthly
1,887.94	8	92	Monthly
3,149.98	13	144	Monthly
10.43	5	5	Monthly
9,783.45			

* Figures of term loan stated in para 14a.1 (i) includes current maturities of Long term debt shown separately in notes no. 18a and exclude ₹ 1.93 Lacs transaction cost amortised over the period of Term loan.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

- Term Loan from Indian Bank of ₹ 1,041.98 Lacs are secured by hypothecation as pari-passu first charge on whole of the immovable properties of the Company situated at Village Jalalpur, Chandigarh Ambala Road, Lalru, Distt. Mohali, Village Jaladiwal, Near Raikot, Distt. Ludhiana (Punjab), Village Udaipur / Khljuriwas, Bhiwadi, Distt. Alwar (Rajasthan), Village Salana Jeon Singh Wala, Tehsil Amluh, Distt. Fatehgarh Sahib (Punjab) and Negative Lien of immovable assets (property) Land measuring 15 acres (out of total land of 100 acres) at Industrial Focal Point, Phase-VIII, Village Mundian, Distt. Ludhiana, Including the Company's movable Plant and Machinery, Machinery Spares and other moveables both present and future and subject to the charge or charges created or to be created by the Company in favour of its Bankers on its movables and also personally guaranteed by some of the Directors of the Company.
- Term Loan (secured) includes ₹ 10.43 Lacs as vehicle loan taken from ICICI Bank against hypothecation of the respective Vehicles only.
- Term loan (secured) includes ₹ 5,581.06 Lacs as LRD facility taken from HDFC Bank Ltd. against exclusive charge on the title deeds situated at Focal Point, Phase-IV, Ludhiana.
- Term loan (secured) includes ₹ 3,149.98 Lacs as term loan facility taken from Axis Bank against exclusive charge on the title deeds situated at Ward No. 28, Mouza Garji, Garje Road, MC Road, Chandan Nagar, Hooghly, West Bengal.
- ii) NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company.

14a.2 Repayment terms and security disclosures for the outstanding long-term borrowings (including current maturities) as on 31st March, 2023.

Terms of repayment of long term borrowings:

i) Terms of Repayment of term loans

As At 31st March, 2023 (₹ in Lacs)*	Repayment Period from origination (years)	Installments outstanding as on 31st March, 2023	
		No.	Periodicity
1,229.36	5	4	Quarterly
389.82	9	29	Quarterly
1,941.98	5	17	Quarterly
14.91	5	1	Quarterly
1,838.59	7	72	Monthly
324.73	8	84	Monthly
1,587.15	8.5	92	Monthly
451.01	8	84	Monthly
27.10	5	19	Monthly
14.98	1	6	Monthly
7,819.63			

* Figures of term loan stated in para 14a.2 (i) includes current maturities of Long term debt shown separately in notes no. 18a and exclude ₹ 2.50 Lacs transaction cost amortised over the period of Term loan.

- Term Loan from Indian Bank, Punjab National Bank and Canara Bank of ₹ 3,576.07 Lacs are secured by hypothecation as pari-passu first charge on whole of the immovable properties of the Company situated at Village Jalalpur, Chandigarh Ambala Road, Lalru, Distt. Mohali, Industrial Focal Point, Phase-VIII, Village Mundian, Distt. Ludhiana, Village Jaladiwal, Near Raikot, Distt. Ludhiana (Punjab), Village Udaipur / Khljuriwas, Bhiwadi, Distt. Alwar (Rajasthan) and Village Salana Jeon Singh Wala, Tehsil Amluh, Distt. Fatehgarh Sahib (Punjab) Including the Company's movable Plant and Machinery, Machinery Spares and other moveables both present and future and subject to the charge or charges created or to be created by the Company in favour of its Bankers on its movables and also personally guaranteed by some of the Directors of the Company.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
<ul style="list-style-type: none"> ● Term Loan (secured) includes ₹ 42.08 Lacs as vehicle loan taken from ICICI Bank and damlier against hypothecation of the respective Vehicles only. ● Term loan (secured) includes ₹ 4,201.48 Lacs as LRD facility taken from HDFC Bank Ltd. against exclusive charge on the title deeds situated at Focal Point, Phase-IV, Ludhiana. 		
ii) NCNCRPS shall be redeemable at par within a period not exceeding 20 years from date of their issue or an earlier date only at the discretion of the company.		
14b. Other Financial Liabilities		
Security deposit	489.36	316.02
Total	489.36	316.02
15. Provisions		
Provision for Gratuity	142.68	--
Total	142.68	--
16. Deferred Tax Liabilities (net)		
Deferred Tax Liability		
Relating to Property, plant and equipment, IND AS adjustment etc.	2,289.59 246.58	2,288.09 243.07
Deferred Tax Assets		
Disallowance u/s 43B of the Income Tax Act, 1961, and other etc.	(111.20)	(39.97)
Total	2,424.97	2,491.19
17. Other Non-current Liabilities		
Deferred Income	170.17	60.63
Total	170.17	60.63
18a. Borrowings		
From Banks		
Loans repayable on demand	*42,274.80	*18,850.21
Current Maturities	1,314.51	2,736.02
Loans and advances from related parties (Unsecured)	176.30	102.86
Total	43,765.61	21,689.09
18a.1 *Working Capital Borrowings are secured by hypothecation of stock of Raw Materials, Work-in-Progress, Finished Goods, Stores and Book Debts and further secured by 2nd pari-passu charge on fixed Assets of the Company and also personally guaranteed by some of the Directors of the Company.		
18b. Trade Payables		
Micro, Small and Medium Enterprises	138.53	245.79
Others	7,988.19	5,005.25
Total	8,126.72	5,251.04



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
-------------	--	--

18b.1 In response to the letters sent to the suppliers seeking to know the status of their coverage under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act) the Company has received replies from some of the suppliers. Disclosures as required under Section 22 of the MSMED Act, 2006 are given below:

(₹ in Lacs)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
The Principal amount and the interest due thereon unpaid to any supplier		
- Principal Amount	138.53	245.79
- Interest thereon	--	--
The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day	--	--
The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	--	--
The amount of interest accrued and remaining unpaid.	--	--
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	--	--

Trade payable ageing schedule as on 31st March, 2024

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	128.61	9.92	--	--	--	138.53
(ii) Others	5,576.68	2,206.50	149.77	38.12	17.12	7,988.19
(iii) Disputed dues - MSME	--	--	--	--	--	--
(iv) Disputed dues-Others	--	--	--	--	--	--
Total	5,705.29	2,216.42	149.77	38.12	17.12	8,126.72

Trade payable ageing schedule as on 31st March, 2023

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less Than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	106.00	139.79	--	--	--	245.79
(ii) Others	4,549.89	394.54	40.90	2.26	17.66	5,005.25
(iii) Disputed dues - MSME	--	--	--	--	--	--
(iv) Disputed dues-Others	--	--	--	--	--	--
Total	4,655.89	534.33	40.90	2.26	17.66	5,251.04



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
18c. Other Financial Liabilities		
Unpaid Dividend	35.86	60.16
Due to Employees	2,056.71	2,037.13
Others	1,072.68	994.77
Total	3,165.25	3,092.06
18c.1 Unclaimed Dividend do not include any amount due and outstanding to be credited to Investor's Education and Protection Fund.		
19. Other Current Liabilities		
Statutory dues payables	533.97	485.20
Advance from customers	228.16	482.92
Deferred Income	41.62	28.08
Others	1.26	19.14
Total	805.01	1,015.34
20. Provisions		
Provision for Employee Benefits	198.09	222.19
Total	198.09	222.19
21. Revenue from Operations		
Sale of Products	140,223.98	168,755.95
Sale of services	866.95	1,204.23
Miscellaneous sales	5,330.87	6,416.15
Other operating revenue		
Export Incentives	754.38	1,011.04
Total	147,176.18	177,387.37
21.1 Details of Products Sold		
Yarn	53,917.97	71,780.75
Fabrics	66,732.48	77,505.80
Sugar	17,008.97	17,842.20
Others	8,762.38	9,247.58
Total	146,421.80	176,376.33
22. Other Income		
Interest income	748.82	190.53
Dividend Income	19.32	19.32
Rental Income	1,833.26	1,326.40
Profit on sale of Fixed Assets	426.50	2,752.33
Profit on sale of Investment	20.66	--
Others	77.40	35.55
Total	3,125.96	4,324.13
23. Cost of Materials Consumed		
Opening stock	11,367.38	32,127.90
Add : Effect of business combination	--	6.71
Add : Purchases (Net)	98,536.52	71,411.45
Less : Closing Stock	23,987.28	11,367.38
Total	85,916.62	92,178.68
23.1 Detail of Cost of Material Consumed		
Fibres	63,119.57	69,780.59
Yarn	7,245.67	7,603.07
Sugarcane	15,196.24	14,319.34
Others	355.14	475.68
Total	85,916.62	92,178.68



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
24. Purchases of stock-in-trade		
Yarn	727.72	1,549.15
Fibre/Waste	474.56	1,543.78
Total	1,202.28	3,092.93
25. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
Opening Stock		
Work-in-progress	3,156.02	4,346.77
Finished Goods	24,782.46	33,489.83
Add: Effect of business combination	--	32.95
Sub Total	27,938.48	37,869.55
Less: Closing Stock		
Work-in-progress	3,957.38	3,156.02
Finished Goods	25,306.11	24,782.46
Sub Total	29,263.49	27,938.48
Total	(1,325.01)	9,931.07
26. Employee Benefits Expense		
Salary, Wages and Other Allowances	14,804.35	14,703.85
Contribution to provident and other funds	1,685.71	1,714.67
Staff welfare expenses	183.62	157.01
Staff Recruitment & Development expenses	4.83	6.95
Total	16,678.51	16,582.48
27. Finance cost		
Interest Expense	2,564.65	3,376.33
MTM loss/(gain) on forward Contracts	0.82	15.03
Other Borrowings Cost	301.97	374.76
Total	2,867.44	3,766.12
28. Other expenses		
a. Manufacturing Expenses		
Consumption of Stores, consumables & spare parts	12,071.17	13,480.14
Power and Fuel	18,911.08	19,048.68
Handling and Restacking charges	297.86	337.10
Machinery Repairs and Maintenance	760.00	1,021.15
Sub Total	32,040.11	33,887.07
b. Administrative & Other Expenses		
Rent	36.19	13.11
Rates & Taxes	564.82	253.46
Insurance	645.99	695.72
Legal & Professional Expenses	301.70	234.56
Travelling & Conveyance*	548.51	547.64
Vehicle Repair & Maintenance	1,438.20	1,626.85
Repairs and Maintenance	371.68	544.25
Payment To Auditor	17.58	16.88
Loss on Sale/Discard of Fixed Assets	125.80	128.55
Directors' Remuneration**	1,151.26	744.47
Directors' Meeting Fees	3.40	5.70
Charity & Donation	0.05	404.35
Miscellaneous Expenses	272.57	229.50
Sub Total	5,477.75	5,445.04

*Include Directors' Travelling of ₹216.84 Lacs (Previous Year ₹306.86 Lacs)

** Include ₹60.00 lacs commission provided during the year (Previous year ₹135.00 Lacs)

**Consolidated Notes to Financial Statements for the year ended 31st March, 2024**

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
c. Selling Expenses		
Forwarding and Octroi	1,018.00	1,237.87
Commission & Brokerage	503.87	530.57
Sub Total	<u>1,521.87</u>	<u>1,768.44</u>
Total (a+b+c)	<u>39,039.73</u>	<u>41,100.55</u>
28.1 Payment to Auditors		
As Auditor:		
Audit fee	11.21	11.21
Tax audit fee	4.79	3.29
In other capacity	0.56	1.34
Reimbursement of expenses	1.02	1.04
Total	<u>17.58</u>	<u>16.88</u>
29. Tax Expense		
Current Tax	307.10	1,871.30
Deferred Tax	(102.76)	312.46
Total	<u>204.34</u>	<u>2,183.76</u>
29.1 Reconciliation of tax liability of book profit/(Loss) vis-a-vis actual Tax Liability		
Accounting Profit Before Tax	1,177.50	10,075.96
Enacted Tax Rate	25.168%	25.168%
Current Tax	296.35	2,535.92
Less : Reversal of deferred tax on temporary differences etc.	92.01	352.16
Income Tax reported in the Statement of Profit & Loss	<u>204.34</u>	<u>2,183.76</u>
30. CONTINGENT LIABILITIES NOT PROVIDED FOR :		
a) Letter of Credits in favour of suppliers and others ₹ 1,437.41 (Previous Year Nil)		
b) Bank Guarantees in favour of suppliers and others ₹ 1,954.68 Lacs (Previous Year ₹ 1,513.98 Lacs)		
c) Sales tax demands against which the company has preferred appeals ₹ 57.74 Lacs (Previous Year ₹ 57.74 Lacs)		
d) Income tax demands against which the company has preferred appeals ₹ 10,976.31 Lacs (Previous Year ₹ 203.65 Lacs)		
e) The Central Excise Authorities have issued show cause notices to the Company for ₹ 522.82 Lacs on various matters under the Central Excise Rules (Previous Year ₹ 522.82 Lacs). The Company has filed suitable reply with the concerned authorities.		
f) The Company has executed bonds / legal undertakings for an aggregate amount of ₹ 83.11 Lacs (Previous Year ₹ 83.11 Lacs) in favour of the President of India for fulfilment of its obligation under the rules made Central Excise Act, 1944 and Customs Act, 1962.		
g) Claims of ₹ 3,976.09 Lacs (Previous Year ₹ 3,866.58 Lacs) lodged against the company on various matters are not acknowledged as debts. The company has filed suitable replies with the concerned authorities.		
h) Employees State Insurance corporation has raised demand of ₹ 124.62 Lacs (Previous Year ₹ 124.62 Lacs) The Company deposited ₹ 94.64 Lacs against the said demand . The company has filed the Civil Suit before the Civil Judge (Sr. Div.), ESI Court , Ludhiana. Now transfer from Ludhiana court to Dera Bassi court.		
i) Advances recoverable amount includes ₹ 609.56 Lacs (Previous Year ₹ 609.56 Lacs) on account of GST paid under protest as mentioned in the Note No. 32 (i) of the balance sheet as at 31st March, 2019.		
31. Capital Commitment		
Estimated amount of contracts in capital account (net of advances/LC issued) remaining to be executed and not provided for ₹ 1,313.69 Lacs (Previous Year ₹ Nil Lacs).		



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

32. The Company has undertaken export obligations of ₹ 2,444.51 Lacs (Previous Year ₹ 2,444.51 Lacs) to export goods against the issuance of Import Licenses / Advance Licenses for the Import of Raw Materials. Out of this, export obligations of ₹ 864.82 Lacs (Previous Year ₹ 864.82 Lacs) have been fulfilled up to 31 March, 2024.
33. The Company has considered the possible impact on its business operations, financial assets, contractual obligations and its overall liquidity position and recoverability of the carrying value of its assets on account of future uncertainties in the Global Market, based on the internal and external sources of information and application of the reasonable estimates, the company does not foresee presently any significant incremental risk to the recoverability of its assets or in its ability to meet its financial obligations over the foreseeable future.
34. In the opinion of the Board of Directors, the Current Assets and Loans & Advances have a value on realization in the ordinary course of business at least equal to the value at which they are stated in the foregoing Balance Sheet, unless stated otherwise.
35. Export/domestic bills discounted during the year under Letter of Credit outstanding as on 31.03.2024 for ₹ 1,587.03 Lacs (Previous Year ₹ 2,959.12 Lacs) have been reduced from Bank Borrowings and correspondingly from Sundry Debtors.
36. **Earnings Per Share (EPS) (Ind AS-33)**

Particulars	2023-24	2022-23
Profit after Tax (₹ in Lacs)	973.16	7,892.20
Weighted average no. of ordinary shares	43,205,581	39,853,609
Weighted average no. of diluted shares	43,205,581	39,853,609
Nominal value of ordinary share (₹)	10.00	10.00
Basic / Diluted Earning Per Share (₹)	2.25	19.80

37. **Segment Information as required by Ind AS-108 “Operating Segments” and compiled on the basis of the financial statements is as under :-**

	(₹ in Lacs)							
	Textile		Sugar		Others		Total	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Segment Revenue								
Total Revenue	126,285.79	156,282.83	20,662.47	20,561.30	33.11	11.83	146,981.37	176,855.96
Less: Inter Segment Revenue							559.57	479.63
Net Revenue							146,421.80	176,376.33
Segment Results								
Profit/ (Loss) before interest & tax	461.64	13,028.25	2,412.00	1,389.68	1360.87	(459.76)	4,234.51	13,958.17
Less: Interest							2,867.44	3,766.12
Profit / (Loss) Before tax							1,367.07	10,192.05
Segment Assets	108,812.98	97,941.63	15,991.58	16,202.84	40,968.40	21,925.37	165,772.96	136,069.84
Segment Liabilities	43,016.32	22,310.73	10,916.54	5,532.13	1,615.51	1,067.48	55,548.37	28,910.34
Capital Employed								
Segment Assets- Segment Liabilities	65,796.66	75,630.90	5,075.04	10,670.71	39,352.89	20,857.89	110,224.59	107,159.50



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

- 38. Related Party Disclosures as required by IND AS-24 as under: -**
- (a) Disclosure of Related Parties and relationship between the parties.
- Associates:** J.L. Growth Fund Limited, Vardhman Investment Limited, Atam Vallabh Financers Limited, OWM Renew LLP*
 - Key Management Personnel:** Sh. Jawahar Lal Oswal (Chairman), Sh. Kamal Oswal (Vice Chairman-cum-Managing Director), Sh. Abhinav Oswal (Executive Director), Sh. Dinesh Oswal (Non-Executive Director), Sh. Dinesh Gogna (Non-Executive Director), Sh. Navdeep Sharma (Non-Executive Director), Sh. Parvinder Singh Pruthi (Non-Executive Director), Dr. Suresh Kumar Singla (Non-Executive Director), Sh. Ved Parkash Gaur (Non-Executive Director) resigned w.e.f. 15.07.2023), Dr. Anchal Kumar Jain (Non Executive Director joined w.e.f. 27.09.2023), Mrs. Manisha Gupta (Non-Executive Director), Dr. Roshan Lal Behl (Non-Executive Director), Dr. Y.P. Sachdeva (Non-Executive Director), Sh. Bharat Bhushan Gupta (Chief Financial Officer), Sh. Mukesh Sood (Company Secretary)
 - Relatives of Key Management Personnel:** Mrs. Abhilash Oswal, Mrs. Manisha Oswal, Mrs. Ruchika Oswal, Mrs. Monika Oswal, Mr. Rishabh Oswal, Mrs. Sanjana Oswal, Mrs. Ishita Oswal.
 - *Enterprises in which Key Management Personnel and relative of such personnel is able to exercise significant influence or control:** Oswal Woollen Mills Ltd., Nahar Spinning Mills Ltd., Monte Carlo Fashions Limited, Hug Foods Pvt. Ltd., Nagdevi Trading & Investment Co. Ltd., KMRA Associates LLP, OWM Poly Yarn Ltd., Nahar Industrial Infrastructure Corporation Ltd., Oswal Foundation (Regd.).
- (b) Detail of transactions entered into with related parties during the year**:

Particulars	Associates		Key Management Personnel		Enterprises in which Key Manager Personnel and relative of such personnel is able to exercise significant influence or control		Relative of Key Management Personnel	
	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023	31 st March 2024	31 st March 2023
Purchase of goods/services	716.19	474.05	--	--	4,838.37	4,448.88	--	--
Sales of Goods	--	--	--	--	3,153.10	12,052.09	--	--
Purchase of fixed assets	--	--	--	--	3,324.32	133.07	--	--
Sale of fixed assets	--	--	--	--	116.37	2,009.83	--	--
Freight Income	--	--	--	--	500.05	709.55	--	--
Sale of FMP/FMS license	--	--	--	--	257.98	246.60	--	--
Processing charges received	--	--	--	--	221.21	160.40	--	--
Interest Expenses	--	--	--	--	10.68	26.49	--	--
Dividend Received	--	--	--	--	19.32	19.32	--	--
Rent received	--	--	15.00	15.00	306.29	228.68	--	--
Rent Paid	--	--	--	--	20.00	--	--	--
Reimbursement of Expenses Received	--	--	--	--	623.93	213.78	--	--
Reimbursement of Expenses Paid	--	--	--	--	57.90	9.59	--	--
Director Meeting Fee	--	--	4.01	6.73	--	--	--	--
Remuneration	--	--	--	--	--	--	49.15	43.56
Loan received	--	--	--	--	213.43	130.77	--	--
Loan re-paid	--	--	--	--	140.00	2,063.00	--	--
Investment in Preference Share	--	--	--	--	2,000.00	2,000.00	--	--
Charity & Donation	--	--	--	--	--	100.00	--	--
Corporate Social Responsibility (CSR) Activities	--	--	--	--	170.00	102.58	--	--
Balance Receivable/(Payable) (net)	129.82	130.23	--	--	533.23	587.11	--	--

* Related parties with whom transaction has taken place during the year

** All transactions are inclusive of taxes wherever applicable.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Remuneration of KMP

Particulars	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
i) Short Term benefits	1,208.77#	801.63#
ii) Post Employment Benefits	64.96	63.69
Total	1,273.73	865.32

Includes Remuneration, commission and perks paid to Vice Chairman-cum-Managing Director and Executive Director of ₹ 1,154.07 Lacs during the current year and ₹ 747.59 Lacs during the previous year

39. Material accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Income taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profit for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

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, including the discounted cash flow model, which involve various judgements and assumptions.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

40. Post Retirement Benefits Plan (Ind AS 19)

Defined Benefit Plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. For the funded plan the Company makes contributions to recognized funds in India.

Particulars	31st March 2024 (₹ in Lacs)	31st March 2023 (₹ in Lacs)
Changes in defined benefit obligation		
Present value obligation as at the start of the year	3,800.21	3,532.30
Interest cost	236.41	217.55
Current service cost	392.16	397.72
Acquisitions (Credit) cost	--	19.54
Actuarial loss/(gain) - Experience Changes	(150.06)	(19.32)
Actuarial loss / (gain) Financial Assumption	37.52	(42.35)
Benefits paid	(444.35)	(305.23)
Present value obligation as at the end of the year	3,871.89	3,800.21
Change in fair value of plan assets		
Fair value of plan assets as at the start of the year	3,903.63	3,512.68
Acquisitions (Credit) cost	--	84.63
Interest income on plan assets	239.56	231.91
Employer Contributions	(2.25)	357.92
Return on plan assets (greater)/lesser than discount Rates	32.62	21.72
Benefits paid	(444.35)	(305.23)
Fair value of plan assets as at the end of the year	3,729.21	3,903.63
Breakup of Actuarial (gain)/loss:		
Actuarial (gain)/loss on arising from change in financial assumption	37.52	(42.35)
Actuarial (gain)/loss on arising from experience adjustment	(150.06)	(19.32)
Return on plan assets (greater)/lesser than discount rate	(32.62)	(21.72)
	(145.16)	(83.39)
Net Asset/(Liability) recognized in Balance Sheet		
Present value obligation as at the end of the year	3,871.89	3,800.21
Fair value of plan assets as at the end of the year	3,729.21	3,903.63
Net Asset/(Liability) in Balance Sheet	(142.68)	103.42



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Particulars	As at 31 st March, 2024 (₹ in Lacs)	As at 31 st March, 2023 (₹ in Lacs)
Amount recognized in the statement of profit and loss		
Current service cost	392.16	397.72
Interest cost	236.41	217.55
Interest Income on plan assets	(239.56)	(231.91)
	389.01	383.36
(Income)/Expense recognized in the statement of profit and loss		
Remeasurements recognized in the statement of Other Comprehensive Income (OCI)		
Experience Adjustments	(150.06)	(19.32)
Changes in Financial Assumptions	37.52	(42.35)
Return on plan assets (greater)/lesser than discount Rates	(32.62)	(21.72)
	(145.16)	(83.39)
Net Loss/(Gain) recognized in other comprehensive income		
Plan assets information		
Insurer Manage Funds	100%	100%
Actuarial assumptions		
Discount rate	6.90%	7.10%
Salary Escalation Rate	7.50%	7.50%
Employee turnover Rate	12.00%	12.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis for gratuity liability

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are :

Impact of the change in discount rate

a) Impact due to increase of 0.50%	(92.39)	(92.88)
b) Impact due to decrease of 0.50%	97.23	97.81

Impact of change in salary Escalation Rate

a) Impact due to increase of 0.50%	92.67	93.30
b) Impact due to decrease of 0.50%	(89.09)	(89.89)

Impact of change in Employee turnover Rate

a) Impact due to increase of 0.50%	(43.20)	(37.20)
b) Impact due to decrease of 0.50%	54.59	44.25

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the reporting period.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Weighted average duration of defined plan obligation (based on discounted cash flow)

Gratuity 6 Years 6 Years

The following are the expected future benefits payments for the defined benefit plan : (₹ in Lacs)

Particulars	31st March 2024	31st March 2023
Description		
March 31, 2024	--	771.01
March 31, 2025	804.76	491.66
March 31, 2026	515.83	521.21
March 31, 2027	513.50	539.10
March 31, 2028	577.17	617.05
March 31, 2029	589.24	--
March 31, 2029 to March 31, 2033	--	3,130.01
March 31, 2030 to March 2034	3,056.79	--

41. Fair Value Measurement

(a) Financial Instruments by category and hierarchy

For amortised cost instruments, carrying value represents the best estimate of fair value. (₹ in Lacs)

Particulars	As At 31st March, 2024			As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments*						
- Equity instruments	--	8.54	--	--	7.14	--
- Preference Shares	--	--	4,000.31	--	--	2,000.31
Other Financial Assets (Non Current)	--	--	1,948.97	--	--	1,837.77
Trade receivables	--	--	16,024.51	--	--	16,365.94
Investment (Current)	2,460.61	--	--	613.81	--	--
Cash and cash equivalents	--	--	354.64	--	--	52.42
Other Bank Balances	--	--	352.31	--	--	268.20
Loans (Current)	--	--	908.85	--	--	79.35
Other financial assets (Current)	3.68	--	24.42	4.50	--	8.64
Total Financial Assets	2,464.29	8.54	23,614.01	618.31	7.14	20,612.63

Particulars	As At 31st March, 2024			As at 31st March, 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities						
Borrowings (Non current)	--	--	9,430.89	--	--	5,961.28
Security deposit	--	--	489.36	--	--	316.02
Borrowings (Current)	--	--	43,765.61	--	--	21,689.09
Trade payables	--	--	8,126.72	--	--	5,251.04
Unpaid dividend	--	--	35.86	--	--	60.16
Due to Employees	--	--	2,056.71	--	--	2,037.13
Other financial liabilities	--	--	1,072.68	--	--	994.77
Total Financial Liabilities	--	--	64,977.83	--	--	36,309.49

*Investment value exclude investment in associates which are shown at cost in Balance Sheet as per Ind As 27, "Separate Financial Statement"



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

(b) Fair value hierarchy

The Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard. An explanation of each level follows under the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements (₹ in Lacs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Equity instruments	4.51	--	4.03	3.11	--	4.03
Derivative Assets	3.68	--	--	4.50	--	--
Investment (Current)	2,460.61	--	--	613.81	--	--
Total	2,468.80	--	4.03	621.42	--	4.03

Financial assets and liabilities measured at amortised cost for which fair values are disclosed (₹ in Lacs)

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Preference Shares	--	--	4,000.31	--	--	2,000.31
Other Financial Assets (Non Current)	--	--	1,948.97	--	--	1,837.77
Trade receivables	--	--	16,024.51	--	--	16,365.94
Cash and cash equivalents	--	--	354.64	--	--	52.42
Other Bank Balances	--	--	352.31	--	--	268.20
Loans (Current)	--	--	908.85	--	--	79.35
Other financial assets (Current)	--	--	24.42	--	--	8.64
Total Financial assets	--	--	23,614.01	--	--	20,612.63

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial liabilities						
Borrowings (Non current)	--	--	9,430.89	--	--	5,961.28
Security deposit	--	--	489.36	--	--	316.02
Borrowings (Current)	--	--	43,765.61	--	--	21,689.09
Trade payables	--	--	8,126.72	--	--	5,251.04
Unpaid dividend	--	--	35.86	--	--	60.16
Due to Employees	--	--	2,056.71	--	--	2,037.13
Other Financial Liabilities	--	--	1,072.68	--	--	994.77
Total Financial Liabilities	--	--	64,977.83	--	--	36,309.49



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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 equity securities, contingent consideration and indemnification asset included in level 3.

(c) Fair value of financial assets and liabilities measured at amortised cost (₹ in Lacs)

Particulars	As At 31 st March, 2024		As At 31 st March, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Preference Share	4,000.31	4,000.31	2,000.31	2,000.31
Other financial assets (Non-Current)	1,948.97	1,948.97	1,837.77	1,837.77
Total	5,949.28	5,949.28	3,838.08	3,838.08
Financial liabilities				
Borrowings (Non-Current)	9,430.89	9,430.89	5,961.28	5,961.28
Security deposit	489.36	489.36	316.02	316.02
Total	9,920.25	9,920.25	6,277.30	6,277.30

The carrying amounts of trade receivables, other financial assets & liabilities, trade payables, other bank balances and cash and cash equivalents are considered to be the same as their fair values, due to short term nature. The fair values for loans, security deposits and investments in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counter party credit risk. The fair values of non-current borrowings are based on discounted cash flows using a current borrowings rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

42. Financial risk management objectives and policies

The Company's principle financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investments, loans, trade and other receivables, cash & cash equivalents and other bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

a) 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 long term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Variable rate borrowings	52,056.32	26,667.34
Fixed rate borrowings	1,140.18	983.03
Total	53,196.50	27,650.37

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Effect on Profit Before Tax	
	As at 31st March 2024 (₹ in Lacs)	As at 31st March 2023 (₹ in Lacs)
Increase by 50 basis points	(260.28)	(133.34)
Decrease by 50 basis points	260.28	133.34

b) Foreign currency risks

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure in foreign currency is in Trade payables denominated in foreign currency. The Company is not restricting its exposure of risk in change in exchange rates.

(i) Particulars of unhedged foreign currency exposure as on the reporting date

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Trade Payable		
-USD	76.66	146.64
-EUR	7.20	3.19
-CHF	14.33	--



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in foreign currency exchange rates. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	As at 31st March 2024 (₹ in Lacs)	Effect on Profit Before Tax
		As at 31st March 2023 (₹ in Lacs)
USD Sensitivity		
Decrease by 5%	3.83	7.33
Increase by 5%	(3.83)	(7.33)
EUR Sensitivity		
Decrease by 5%	0.36	0.16
Increase by 5%	(0.36)	(0.16)
CHF Sensitivity		
Decrease by 5%	0.72	--
Increase by 5%	(0.72)	--

ii) Foreign Currency Exposure (Forward Booking)

The foreign currency exposure of the Company as on reporting date is as under. The company does not use forward contracts for speculative purpose.

Category wise Quantitative Data Type Contract	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Forward contracts against Exports (US \$)	1,085.76	1,684.11
Forward contracts against imports (US \$)	5,677.02	--

(B) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

- (i) Low credit risk on reporting date
- (ii) Moderate credit risk
- (iii) High credit risk



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

Financial assets that expose the entity to credit risk:

Particulars	As At 31st March 2024 (₹ in Lacs)	As At 31st March 2023 (₹ in Lacs)
Low credit risk on reporting date		
Investments (Non-Current)	9,677.59	7,661.20
Other financial assets (Non-Current)	1,948.97	1,837.77
Trade receivables	16,024.51	16,365.94
Cash and cash equivalents	354.64	52.42
Other bank balances	352.31	268.20
Loans (current)	908.85	79.35
Investment (current)	2,460.61	613.81
Other financial asset (Current)	28.10	13.14
Total	31,755.58	26,891.83
Moderate credit risk	--	--
High credit risk	--	--

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables

Credit risk related to trade receivables are mitigated by taking Credit insurance for domestic sales/letter of credit for export sales, which results in low credit risk. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The company assesses increase in credit risk on an ongoing basis for amount receivable that become past due and default is consider to have occurred when amount's receivable become 365 days past due.

Gross carrying amount of trade receivables (for ageing Refer note no. 9b)

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

(C) Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods.

(₹ in Lacs)

Particulars	As At 31st March 2024	As At 31st March 2023
Floating rate		
(a) Expiring within one year		
(Bank overdraft and other facilities)		
Secured : Cash credit facilities	5,725.20	37,499.79
(b) Expiring beyond one year (Bank loans)		
Secured : Term loan from banks	5,850.02	500.00



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments -

Particulars	(₹ in Lacs)					
	0-1 Years	1 to 2 Years	2 to 5 Years	More than 5 Years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Year ended 31st March 2024						
Contractual maturities of borrowings	43,589.30	1,091.12	3,482.80	3,895.03	52,058.25	52,056.32
Loan & Advances from related party (Unsecured)	176.30	--	--	--	176.30	176.30
5.5% Non convertible non cumulative Redeemable Preference Share (Unsecured)	--	--	--	4,000.00	4,000.00	963.88
Contractual maturities of trade payable	8,126.72	--	--	--	8,126.72	8,126.72
Contractual maturities of security deposit received	--	219.16	495.77	--	714.93	489.36
Contractual maturities of other financial liabilities	3,129.39	--	--	--	3,129.39	3,129.39
Unpaid Dividend	35.86	--	--	--	35.86	35.86
TOTAL	55,057.57	1,310.28	3,978.57	7,895.03	68,241.45	64,977.83

Particulars	(₹ in Lacs)					
	0-1 Years	1 to 2 Years	2 to 5 Years	More than 5 Years	Total undiscounted contractual cash flows	Carrying amount of liabilities
Year ended 31st March 2023						
Contractual maturities of borrowings	21,586.23	1,184.61	2,499.76	1,399.24	26,669.84	26,667.34
Loan & Advances from related party (Unsecured)	102.86	--	--	--	102.86	102.86
5.5% Non convertible non cumulative Redeemable Preference Share (Unsecured)	--	--	--	4,000.00	4,000.00	880.17
Contractual maturities of trade payable	5,251.04	--	--	--	5,251.04	5,251.04
Contractual maturities of security deposit received	--	29.61	383.85	--	413.46	316.02
Contractual maturities of other financial liabilities	3,031.90	--	--	--	3,031.90	3,031.90
Unpaid Dividend	60.16	--	--	--	60.16	60.16
TOTAL	30,032.19	1,214.22	2,883.61	5,399.24	39,529.26	36,309.49

43. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

Particulars	(₹ in Lacs)	
	As at 31 st March, 2024	As at 31 st March, 2023
Borrowings	53,196.50	27,650.37
Trade payables	8,126.72	5,251.04
Less: Cash and cash equivalents	354.64	52.42
Net debt (A)	60,968.58	32,848.99
Equity (B)	97,054.21	95,971.00
Capital and net debt (A+B)	158,022.79	128,819.99
Gearing ratio	38.58	25.50



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

44. The company is covered under the provision of the section 135 of the companies act, 2013.

(₹ in Lacs)

Particulars	As at 31 st March 2024	As at 31 st March 2023
The amount required to be spent	189.57	116.09
The amount spent	189.57	116.09

In accordance with the provisions of section 135 of the Companies Act 2013, the board of directors of the company had constituted a CSR committee. The company had decided to carry out its CSR activities through a consortium formed by group companies as per scheme of CSR. During the financial year 2023-24 there is ₹ 189.57 lacs liability under CSR as calculated under the provisions of section 135 of the Companies Act 2013 and the same has been spent during the year.

45. Reconciliation of changes in liabilities arising from the financing activities including both changes arising from the cash flows and non-cash changes as per the requirement of the IndAS-7 "Statement of Cash Flows"

(₹ in Lacs)

Particulars	Long-term borrowings (Including current maturities)	Short-term borrowings	Total
As at 1st April, 2023	8,800.16	18,850.21	27,650.37
Cash flows:			
Proceeds from borrowings	5,149.98	23,424.59	28,574.57
Proceeds from others	213.43	--	213.43
Repayment of borrowings	(3,186.14)	--	(3,186.14)
Repayment of others	(140.00)	--	(140.00)
Ind AS Adjustment:			
Impact of adjustment on borrowings/preference shares	84.26	--	84.26
As at 31st March, 2024	10,921.69	42,274.80	53,196.49

46. The scheme of Amalgamation (the scheme) between the company (transferee company) and the associate company i.e. Cotton County Retail Ltd. (transferor company) had been approved by the Hon'ble National Company Law Tribunal (NCLT) u/s 230-232 and other applicable provisions of the Companies Act, 2013 vide its order dated February 21, 2023. The scheme become effective upon filing of certified copy of the NCLT order with Registrar of Companies, Chandigarh on 18th March, 2023.

Pursuant to the scheme of amalgamation; the authorised capital of the company stands increased to ₹ 20,550 lacs, 7,620,000 5.5% non-convertible non-cumulative redeemable preference share of ₹ 100/- each held by the transferor company in the transferee company stands extinguished, 10,228,441 equity shares of ₹ 10/- each of transferor company held by the transferee company stands cancelled and the company has allotted 33,70,440 fully paid up equity shares of ₹ 10/- each to the eligible share holders of the transferor company during the F.Y. 2022-23.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

47. Additional Regulatory Information:

(a) Ratio

Particulars	Formula	31st March, 2024			31st March, 2023			%Variance
		Numerator (₹ in Lacs)	Denominator (₹ in Lacs)	Ratio	Numerator (₹ in Lacs)	Denominator (₹ in Lacs)	Ratio	
Current ratio (in times)*	Current Assets / Current Liabilities	88,345.47	56,060.68	1.58	69,372.28	31,269.72	2.22	(28.83)
Debt-Equity Ratio (in times)**	Total Debt / Shareholder's Equity	53,196.50	97,054.21	0.55	27,650.37	95,971.00	0.29	89.66
Debt Service Coverage Ratio (in times)	Earnings available for debt service / Debt Service	8,423.19	6,193.58	1.36	16,491.82	10,651.47	1.55	(12.26)
Return on Equity Ratio (in %)***	Net Profit/(Loss) for the year less Preference Dividend (if any) /Average Shareholder's Equity	973.16	96,512.61	1.01	7,892.20	92,839.77	8.50	(88.12)
Inventory Turnover Ratio (in times)	Revenue from Operations/ Average Inventory	147,176.18	49,534.95	2.97	177,387.37	57,991.08	3.06	(2.94)
Trade Receivables Turnover Ratio (in times)	Revenue from Operations / Average Trade Receivables	147,176.18	16,195.23	9.09	177,387.37	22,022.75	8.05	12.92
Trade Payables Turnover Ratio (in times)****	Net Credit Purchases/ Average Trade Payables	99,738.80	6,688.88	14.91	74,504.38	10,409.58	7.16	108.24
Net Capital Turnover Ratio (in times)	Revenue from Operations/ Working Capital	147,176.18	32,284.79	4.56	177,387.37	38,102.56	4.66	(2.15)
Net Profit Ratio (in %)***	Net Profit/ (Loss) for the Period /Revenue from Operations	973.16	147,176.18	0.66	7,892.20	177,387.37	4.45	(85.17)
Return on Capital Employed (in %)***	Earnings before Interest and Tax/ Capital Employed	4,044.94	110,224.58	3.67	13,842.08	107,159.54	12.92	(71.59)
Return on Investment (in %)	Income Generated from Investments/ Average funds invested	1,997.25	20,398.14	9.79	1,358.29	15,556.27	8.73	12.14

* The ratio has been decreased on account of increase in current liabilities.

** The ratio has been increased on account of increase in debt.

*** The ratio has been decreased due to lower profitability.

**** The ratio has been increased on account of increase in purchases.

(b) The title deeds of immovable properties included in Property, Plant, and Equipment are held in the name of the Company, except for as shown in the table below:

Relevant Line Item in the Balance Sheet	Description of item of property	Gross carrying value (₹ in Lacs)	Title Deeds held in the name of	Whether the title deed holder is promoter, director or relative of promoter/ director, or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Land at Village Jalalpur, Lalru Distt. Mohali	1,177.41	Nahar Industrial Infrastructure Corporation Ltd.	No	2006	The company is in process to registered title deed in its name

(c) The company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(d) The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

(e) The company has not enter into any transactions during the year with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.



- (f) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
 - (g) The restrictions related to the number of layers as prescribed under Companies (Restriction on Number of Layers) Rules, 2017 do not apply to our company, not being having any subsidiary.
 - (h) The company has not advanced or loaned or invested funds to any other person(s) or entities, including foreign entities(intermediaries), with the understanding that the intermediary shall;
 - i. 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
 - ii. Provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.
 - (i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
 - i. 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
 - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (j) The Company has borrowings from banks and financial institutions on the basis of the security of current assets and movable assets. The Company has complied with the requirement of filing of monthly/ quarterly returns/statements of current assets with the banks or financial institutions, as applicable, and these returns were in agreement with the books of accounts for the year ended March 31, 2024.
 - (k) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
 - (l) The Company has not 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 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - (m) The company has not revalued any of its Property, Plant, and Equipment, or Intangible assets during the year.
 - (n) The company has not granted any Loans or Advances in the nature of loans to promoters, directors, KMPs, and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
 - (o) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 48.** Some balances of Trade Payables, Advances and Trade Receivables are subject to their Confirmation.
- 49.** The investor Company and its associates have used accounting software for maintaining its books of account for the Financial Year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
Further no instance of audit trail feature being tampered with was noted in respect of accounting software.
- 50.** Previous year figures have been regrouped/recasted/rearranged/reclassified wherever considered necessary to make them comparable.



Consolidated Notes to Financial Statements for the year ended 31st March, 2024

51. Details of Associates

(a) Investments in Associates are accounted for using the equity method in Consolidated Financial Statements.

Name of Entity	% of Ownership interest		Relationship	Accounting method	Proportion of Ownership Interest	
	(31st March, 2024)	(31st March, 2023)			As At 31st March, 2024	As At 31st March, 2023
J.L Growth Fund Ltd.	41.10%	41.10%	Associate	Equity Method	2,622.38	2,598.50
Vardhman Investment Ltd.	47.17%	47.17%	Associate	Equity Method	1,704.06	1,697.15
Atam Vallabh Financiers Ltd.	36.85%	36.85%	Associate	Equity Method	1,214.66	1,209.53
OWM Renew LLP	26.00%	26.00%	Associate	Equity Method	127.64	148.57
Total Equity Accounted Investment					5,668.74	5,653.75

(b) Summarised Financial information for the associates.

Particulars	J.L Growth Fund Ltd.		Vardhman Investment Ltd.		Atam Vallabh Financiers Ltd.		OWM Renew LLP	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Non-Current Assets	5,307.81	5,307.81	3,369.40	3,369.40	3,042.11	3,042.11	3,079.96	3,154.08
Current Assets	7.78	7.98	0.58	0.76	0.87	0.83	129.11	128.57
Cash and Cash equivalents	274.57	189.44	111.36	96.19	77.18	63.03	73.48	576.17
Other Assets								
Total Assets	5,590.16	5,505.23	3,481.34	3,466.35	3,120.16	3,105.97	3,282.55	3,858.82
Non- Current Liabilities	-	-	-	-	-	-	2,122.78	2,657.60
Current Liabilities	45.67	18.84	5.26	4.91	4.94	4.68	668.84	629.79
Total Liabilities	45.67	18.84	5.26	4.91	4.94	4.68	2,791.62	3,287.39

(c) Summarised statement of profit and loss.

Particulars	J.L Growth Fund Ltd.		Vardhman Investment Ltd.		Atam Vallabh Financiers Ltd.		OWM Renew LLP	
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
Revenue	62.88	62.88	12.55	12.55	14.00	14.00	716.20	474.08
Interest Income	15.48	10.14	7.65	6.21	5.08	4.07	7.19	3.50
Depreciation and amortisation	--	--	--	--	--	--	580.39	547.19
Interest Expense	--	--	--	--	--	--	215.56	223.75
Tax Expense	(19.61)	(18.28)	(4.92)	(4.59)	(4.69)	(4.43)	--	--
Profit and loss for the period	58.10	54.17	14.64	13.59	13.93	13.15	(80.51)	(903.57)
Other Comprehensive Income	--	--	--	--	--	--	--	--
Total Comprehensive Income	58.10	54.17	14.64	13.59	13.93	13.15	(80.51)	(903.57)

**Consolidated Notes to Financial Statements for the year ended 31st March, 2024****(d) Movement of Investment using equity Method**

Particulars	As at 31st March 2024 (₹ in Lacs)	As at 31st March 2023 (₹ in Lacs)
(a) J.L Growth Fund Limited		
Opening balance of interest in associates	2,598.50	2,576.24
Add:- Share of profit/(Loss) for the period	23.88	22.26
Closing Balance of interest in associates	2,622.38	2,598.50
(b) Vardhman Investment Limited.		
Opening balance of interest in associates	1,697.15	1,690.74
Add:- Share of profit/(Loss) for the period	6.91	6.41
Closing Balance of interest in associates	1,704.06	1,697.15
(c) Attam Vallabh Financiers Limited		
Opening balance of interest in associates	1,209.53	1,204.69
Add:- Share of profit/(Loss) for the period	5.13	4.84
Closing Balance of interest in associates	1,214.66	1,209.53
(d) OWM Renew LLP		
Opening balance of interest in associates	148.57	227.50
Add:- Share of profit/(Loss) for the period	(20.93)	(78.93)
Closing Balance of interest in associates	127.64	148.57

**AOC-I**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of 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 ₹ in Lacs)

Sr	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
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----- The Company has no Subsidiary -----

PART "B": Associates and Joint Ventures

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

Name of Associates	J L Growth Fund Ltd	Vardhman Investment Ltd.	Atam Vallabh Financiers Ltd.	OWM Renew LLP
1. Latest Audited Balance Sheet Date	31.03.2024	31.03.2024	31.03.2024	31.03.2024
2. Shares of Associate held by the Company on the year end				
No. of Shares	1,80,000	2,50,000	1,64,000	26% SHARE
Amount of Investment in Associates (Rs. In lacs)	1,684.80	1,475.00	1,066.00	227.50
Extent of holding %	41.10	47.17	36.85	26.00
3. Description of how there is significant influence	There is significant influence due to percentage (%) of share capital			
4. Reason why associate is not consolidated	Not Applicable			
5. Net Worth attributable to shareholding as per latest audited Balance Sheet	2278.78	1639.66	1147.96	127.64
6. Profit/loss for the year After Tax				
Considered in consolidation	23.88	6.91	5.13	(20.93)
Not considered in consolidation	-	-	-	-

1. Name of associates or joint venture which are yet to commence operation: Nil

2. Name of associates or joint venture which have been liquidated or sold during the year : Nil - Refer Note No. 46

Mukesh Sood
Company Secretary

Bharat Bhushan Gupta
Chief Financial Officer

Dinesh Gogna
Director
(DIN : 00498670)

Kamal Oswal
Vice Chairman-cum-
Managing Director
(DIN : 00493213)

Place : Ludhiana
Dated : 30th May, 2024

Glimpse of CSR Project undertaken by Oswal Foundation



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