



**SUNIL INDUSTRIES LIMITED**  
(AN ISO 9001 & 14001 CERTIFIED COMPANY)

**Corporate Office**  
315, Rewa Chambers  
New Marine Lines, Mumbai - 400 020  
Tel. : (022) 2201 7389 / 2208 7860  
Fax : (022) 2208 4594  
E-mail : info@sunilgroup.com  
www.sunilgroup.com  
CIN No.: L99999MH1976PLC019331

**Date:** September 4<sup>th</sup>, 2024

To,  
The Department of Corporate Service  
**BSE Limited.**  
Department of Corporate Service,  
14<sup>th</sup> Floor, P.J. Tower,  
Dalal Street, Fort,  
Mumbai - 400 001.

**Sub.: Notice of the 48<sup>th</sup> Annual General Meeting ("AGM") along with Annual Report of Sunil Industries Limited for the financial year 2023-2024**

**Ref.: Sunil Industries Limited), Scrip Code - 521232**

Dear Sir/Madam,

In continuation to our letter dated August 26<sup>th</sup>, 2024 and pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Notice of the 48<sup>th</sup> Annual General Meeting of the Company scheduled to be held on **Saturday, September 28<sup>th</sup>, 2024 at 12:30 p.m.** at the Registered Office of the Company situated at D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (East) - 421 203, District Thane, Maharashtra.

The Notice of the Annual General Meeting along with the Annual Report of Sunil Industries Limited for the financial year 2023-2024 is being sent through electronic mode to all the Members of the Company who have registered their e-mail address with the Company.

The Notice of AGM along with Annual Report for the financial year 2023-24, is available on the website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com), on the website of Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depositories Limited (NSDL) at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Kindly take the same on record.

Thanking you.

**Yours Faithfully,**  
**For Sunil Industries Limited**

**Sourabh Sahu**  
**Company Secretary & Compliance Officer**  
**Membership No.: ACS: 55322**

**48<sup>TH</sup> ANNUAL REPORT**

**2023 - 2024**



**SUNIL INDUSTRIES LIMITED  
(L99999MH1976PLC019331)**

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**BOARD OF DIRECTORS:**

<b>Names</b>	<b>Designations</b>
Mr. Vinod Lath (DIN: 00064774)	: Chairman and Managing Director
Mr. Pradeep Roongta (DIN: 00130283)	: Whole-Time Director and CFO
Mr. Rohit Gadia (DIN: 02175342) <i>(Ceased to be director w.e.f. 31st March, 2024)</i>	: Independent Director
Mr. Rajesh Tibrewal (DIN: 00130509)	: Independent Director
Mrs. Shruti Saraf (DIN: 07521927)	: Independent Woman Director
Mrs. Bindu Darshan Shah (DIN: 07131459) <i>(w.e.f. 29<sup>th</sup> June, 2024)</i>	Additional Independent Women Director
Mr. Sourabh Sahu (ACS: 55322)	: Company Secretary and Compliance Officer

**REGISTERED OFFICE:**

D-8, M.I.D.C., Phase II,  
Manpada Road, Dombivli (E) - 421 203  
Dist. Thane, Maharashtra.

**MANUFACTURING UNITS:****Spinning Unit:**

S.F.No. 324/1, Karungal Village,  
K. Anapatti Post, Vedasandur Taluk,  
Dist. Dindigul - 624 620.

**Weaving Unit:**

Plot No. 60- B, Parvati Industrial Area,  
Kondigre Road, Near Gangajal Water Tank,  
Yadrav, Ichalkaranji.

**Processing Unit:**

D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E),  
Dist. Thane - 421 203.

**BANKERS:**

Standard Chartered Bank

**STATUTORY AUDITORS:**

V.K. Beswal & Associates  
Chartered Accountants, Mumbai

**SECRETARIAL AUDITOR:**

HSPN & Associates LLP  
Company Secretaries, Mumbai

**INTERNAL AUDITOR:**

Chetan Jain & Associates  
Chartered Accountants, Mumbai

**COST AUDITOR:**

M/s Shanker Chaudhary & Co.,  
Cost Accountants, Mumbai

**SHARE TRANSFER AGENTS:**

Link Intime India Private Limited,  
Add.: C 101, 247 Park,  
L.B.S.Marg, Vikhroli (West),  
Mumbai - 400083.

**SHARES LISTED AT:**

**BSE Limited**

PhirozeJeejeebhoy Towers, Dalal Street,  
Mumbai - 400 001

**48<sup>th</sup>ANNUAL GENERAL MEETING**

<b>Date:</b>	<b>28th September, 2024</b>
<b>Day:</b>	<b>SATURDAY</b>
<b>Time:</b>	<b>12:30 P.M.</b>
<b>Place:</b>	<b>D-8, M.I.D.C., PHASE II, MANPADA ROAD, DOMBIVLI (E) - 421 203 DIST. THANE, MAHARASHTRA.</b>

**SUNIL INDUSTRIES LIMITED**

**CIN NO: L99999MH1976PLC019331**

**REG OFFICE: D 8 MIDC PHASEII, MANPADA ROAD,  
DOMBIVLI (EAST), THANE, MAHARASHTRA-421201.**

**Web: [www.sunilgroup.com](http://www.sunilgroup.com),**

**Tel: 0251-2870749**

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 48<sup>th</sup> ANNUAL GENERAL MEETING OF MEMBERS OF SUNIL INDUSTRIES LIMITED WILL BE HELD ON SATURDAY 28<sup>th</sup> SEPTEMBER, 2024 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT D-8, M.I.D.C., PHASE II, MANPADA ROAD, DOMBIVLI (E) - 421 203 DIST. THANE, MAHARASHTRA, TO TRANSACT THE FOLLOWING:

.....

### ORDINARY BUSINESS:

#### Item no. 1: APPROVAL OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

#### Item No. 2: APPROVAL FOR RE-APPOINTMENT OF MR. PRADEEP CHATRUPRASAD ROONGTA, WHOLE TIME DIRECTOR (HOLDING DIN 00130283) WHO IS RETIRING BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT

To appoint Mr. Pradeep Chatruprasad Roongta (DIN 00130283), Whole Time Director, who retires by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

#### Item no. 3: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR FOR FINANCIAL YEAR 2024-2025

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

“**RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force) and any other applicable provisions, if any, the appointment of M/s Shanker Chaudhary & Co., Cost Accountants as Cost Auditors of the Company by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year 2024-2025 at remuneration of Rs. **1,30,000/-** p.a. plus applicable taxes as payable to them be and is hereby ratified.

**RESOLVED FURTHER THAT** any of the Directors of the Company and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

#### Item no. 4: RE-APPOINTMENT OF VINOD LATH AS MANAGING DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions if any, read with Schedule V of the Companies

Act, 2013 and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable Regulations of SEBI (Listing obligations Disclosures Requirements), 2015 as amended and other applicable provisions of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Vinod Lath (DIN 00064774), as Managing Director of the Company for a period of 5 (five) years with effect from 1st September, 2024 up to 31st August, 2029, and for the remuneration payable to him for a period of 3 (three) years w.e.f. 1st September, 2024 as per the following terms and conditions:

- I. **Salary:** Rs. 2,00,000/- p.m. (Rupees Two Lakhs Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. **Minimum remuneration:** In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Vinod Lath by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General Meeting.
- III. Salary specified herein shall be payable to the Managing Director notwithstanding the inadequacy or no profits in any financial year during his tenure.
- IV. The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VI. The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VII. The Managing Director shall be entitled to reimbursement of expenses in connection with the business of the company.
- VIII. Subject to the provisions of the Act, Director while he continues to hold office of the Managing Director shall not be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of the Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause.
- IX. The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whatsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.

**RESOLVED FURTHER THAT** pursuant to the provisions of the Companies Act, 2013 read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for

continuation of the directorship of Mr. Vinod Lath (DIN 00064774) in the Company, who has attained the age of seventy years, up to the expiry of his term as an Managing Director.

**RESOLVED FURTHER THAT** any of the Directors of the Company and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

**Item no. 5: RE-APPOINTMENT OF PRADEEP ROONGTA AS WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6) and other applicable Regulations of SEBI (Listing obligations Disclosures Requirements), 2015 as amended and other applicable provisions of the Companies Act, 2013, the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard, the approval of the Members of the Company be and is hereby accorded for the re-appointment of Mr. Pradeep Roongta, (DIN: 00130283) as Whole Time Director and CFO of the Company for a period of 5 (five) years with effect from 1st September, 2024 upto 31st August, 2029, and for the remuneration payable to him for a period of 3 (three) years w.e.f. 1st September, 2024 as per the following terms and conditions:

- I. **Salary:** Rs. 2,00,000/- p.m. (Rupees Two Lakhs Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. **Minimum remuneration:** In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Pradeep Roongta by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General Meeting.
- III. Salary specified herein shall be payable to the Whole time Director notwithstanding the inadequacy or no profits in any financial year during his tenure.
- IV. The Whole time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VI. The Whole time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.



- VII. The Whole time Director shall be entitled to reimbursement of expenses in connection with the business of the Company.
- VIII. The Whole time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whosoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Whole time Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.

**RESOLVED FURTHER THAT** any of the Directors of the Company and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

**Item no. 6: REGULARISATION OF APPOINTMENT OF MS. BINDU DARSHAN SHAH (DIN: 07131459) AS NON-EXECUTIVE AND INDEPENDENT WOMEN DIRECTOR OF THE COMPANY**

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 149,150, 152, 161 and other applicable provisions, if any, read with Schedule IV of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, and as per the provisions of Articles of Association of the Company, Ms. Bindu Darshan Shah (DIN: 07131459) who was appointed as an additional director and also as an Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024, and who holds office upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2023 – 2024 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013be and is hereby appointed as an Independent Women Director of the Company to hold office for the period of 5 (five) years w.e.f. 29<sup>th</sup> June, 2024.

**RESOLVED FURTHER THAT**for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-form with the Registrar of Companies, Indore.”

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Sourabh Sahu  
Company Secretary and Compliance Officer  
(ACS: 55322)  
DATE: 26<sup>th</sup> August, 2024  
PLACE: Dombivli**

**NOTES:**

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- 3) Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.
- 4) In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 5) Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
- 6) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
- 7) The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
- 8) The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from Sunday, 22<sup>nd</sup> September, 2024 up to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive).
- 9) As a measure of economy, copies of the Annual Reports and Accounts will not be distributed at the Meeting. Members are therefore, requested to bring their copies to the Meeting.
- 10) To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with Share Transfer Register in case the shares are held by them in physical form.
- 11) Members/Proxies are requested to produce the attendance slip duly signed, sent along with the Annual Report and Accounts, for admission to the meeting hall.
- 12) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- 13) Members whose shareholding is in the electronic mode are requested to direct change of address notifications and Updation of Savings Bank Account details to their respective Depository Participants.
- 14) In terms of Section 124 of the Companies Act, 2013, any dividend remaining unpaid for a period of seven years from the due date of payment is required to be transferred to Investor Education and Protection Fund. Members who have not encashed their dividend warrants are requested to write to the Registrars and Share Transfer Agents. The details of dividend unclaimed (if any) are uploaded on the Company's website at <http://www.sunilgroup.com> for shareholders information.
- 15) Electronic copy of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 48th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

- 16) Members may also note that the Notice of the 48th Annual General Meeting and the Annual Report for 2023-24 will also be available on the Company's [website www.sunilgroup.com](http://www.sunilgroup.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: info@sunilgroup.com.
- 17) Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in Electronic/ Demat form, the members may please contact their respective depository participant.
- 18) Members are requested to send all communications relating to shares, bonds and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agents ("RTA") at the following address: Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083 .Tel: +91 22 49186270 Fax: +91 22 49186060. Email: rnt.helpdesk@linkintime.co.in Website: http://www.linkintime.co.in.
- 19) If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished to their respective Depository Participants (DPs).
- 20) To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the RTA. Members are requested to keep the same updated.
- 21) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, i.e., Saturday, 21<sup>st</sup> September, 2024, such person may obtain the User ID and Password from RTA by email request on rnt.helpdesk@linkintime.co.in. In case the e-mail ID is not registered, such Members are requested to register/update the same with the respective depository participants.
- 22) Brief details of the directors, who are seeking re-appointment and brief details of the auditors seeking appointment, are annexed hereto as per requirements of regulation 36(3) and 36(5) of the SEBI Listing Regulations and Secretarial Standards:

**INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING MEETING, AS REQUIRED UNDER REGULATION 36 (3) OF THE LISTING REGULATIONS AND SS-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, IS AS FOLLOWS:**

<b>Name</b>	VINOD GAJANAND LATH	PRADEEP CHATRUPRASAD ROONGTA
<b>DIN</b>	00064774	00130283
<b>Date of Birth / Age</b>	08/07/1949 / 75 years	15/06/1962 / 62 years
<b>Date of Appointment/Re-appointment</b>	01 <sup>st</sup> September, 2024	01 <sup>st</sup> September, 2024
<b>Qualifications</b>	Commerce Graduate	Commerce Graduate
<b>Nature of expertise in specific functional areas</b>	Marketing, Finance & Administration.	Production & Administration.
<b>Terms and condition of appointment / reappointment</b>	Managing Director and shall not be liable to retire by rotation	Whole Time Director and shall be liable to retire by rotation.
<b>Details of remuneration sought to be paid (in Rs.)</b>	2,00,000/- p.m. (Rupees Two Lakhs Only)	2,00,000/- p.m. (Rupees Two Lakhs Only)

<b>Remuneration last drawn (in Rs.)</b>	2,00,000/- p.m. (Rupees Two Lakhs Only)	2,00,000/- p.m. (Rupees Two Lakhs Only)
<b>No. of Meetings of the Board attended during the financial year 2023-24</b>	5 (Five)	5 (Five)
<b>Disclosure of relationships between directors inter-se.</b>	NIL	NIL
<b>Directorships held in other public companies (excluding foreign companies and Section 8 companies)</b>	NIL	NIL
<b>List of Listed Companies in which the person has resigned in the past three years</b>	NIL	NIL
<b>Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)</b>	NIL	NIL
<b>Number of shares held in the Company</b>	3,22,000	13,600

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:**

- 23) The remote e-voting period begins on Wednesday, 25<sup>th</sup> September, 2024 at 9.00 am. and ends on Friday, 27<sup>th</sup> September, 2024 at 5.00 pm.
- 24) The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday, 21<sup>st</sup> September, 2024, may cast their vote electronically.
- 25) The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, 21<sup>st</sup> September, 2024.




**How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

**Step 1: Access to NSDL e-Voting system**

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the " <b>Beneficial Owner</b> " icon under " <b>Login</b> " which is available under ' <b>IDEAS</b> ' section, this will prompt you to enter your existing User ID and Password. After successful

	<p>authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 40px; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a></p>

	<p>and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at*

<https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) [Physical User Reset Password?](#) (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" **i.e. 130535** of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

8. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
9. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
10. Now you are ready for e-Voting as the Voting page opens.
11. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
12. Upon confirmation, the message "Vote cast successfully" will be displayed.
13. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
14. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [piyush@hspnassociates.in](mailto:piyush@hspnassociates.in) with a copy marked to with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on : 022 - 4886 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com).



**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [www.sunilgroup.com](http://www.sunilgroup.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to ([hns@sunilgroup.com](mailto:hns@sunilgroup.com)). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Sourabh Sahu  
Company Secretary and Compliance Officer  
(ACS: 55322)  
Date: 26<sup>th</sup> August, 2024  
Place: Dombivli**

## **EXPLANATORY STATEMENT**

### **AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013 and Regulation 36(5) of SEBI (LODR), 2015**

#### **Item no. 3: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITOR FOR FINANCIAL YEAR 2024-2025**

The Board of Directors in their meeting held on 26<sup>th</sup> July, 2024, on recommendation of Audit Committee appointed M/s Shanker Chaudhary & Co., Cost Accountants as Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2024-2025 at remuneration of Rs. **1,30,000/-** p.a.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 3.

The Board recommends the resolution at Item no. 3 to be passed as an Ordinary Resolution.

#### **Item no. 4: RE-APPOINTMENT OF VINOD LATH AS MANAGING DIRECTOR OF THE COMPANY**

Mr. Vinod Lath was re-appointed as Managing Director of the Company for a period of 5 (five) Years w.e.f. 1<sup>st</sup> September, 2024 to 31<sup>st</sup> August, 2029 and remuneration payable for the period of 3 (three) years at the Board Meeting held on 26<sup>th</sup> July, 2024 subject to ratification of appointment by shareholders in the ensuing Annual General Meeting.

Shareholders' approval is also to be received for payment of remuneration to Mr. Vinod Lath for the period of 3 (three) years from the date of re-appointment as Managing Director of the Company which is recommended by the Nomination and Remuneration committee in its meeting held on 26<sup>th</sup> July, 2024. In addition, Regulation 17 (6) of SEBI (Listing obligations Disclosures Requirements), 2015, states that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, where there is more than one such director, if the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

The Companies (Amendment) Act, 2017 brought changes in the provisions of Section 197 and Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by removing the requirement of Central Government approval for payment of remuneration in excess of 11% of net profits of the company and also increased the limits of yearly Managerial remuneration in case of no profit or inadequate profit.

The Companies Amendment Act, 2017 replaces the Central Government approval with the requirement of obtaining shareholders' approval through a special resolution.

Approval of the shareholders is, therefore, being sought for the remuneration of Vinod Lath, Managing Director of the company as specified in the resolution and for payment of overall managerial remuneration in excess of 11% of net profits, including in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of the company computed in accordance with Schedule V of the Companies Act, 2013 which shall be approved for the remaining tenure of the appointment.

Major terms of Remuneration of Mr. Vinod Lath, Managing Director, are as follows:

- I. **Salary:** Rs. 2,00,000/- p.m. (Rupees Two Lakhs Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. **Minimum remuneration:** In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Vinod Lath by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General Meeting.
- III. Salary specified herein shall be payable to the Managing Director notwithstanding the inadequacy or no profits in any financial year during his tenure.
- IV. The Managing Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VI. The Managing Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VII. The Managing Director shall be entitled to reimbursement of expenses in connection with the business of the company.
- VIII. Subject to the provisions of the Act, Director shall not while he continues to hold office of the Managing Director be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation or retirement of the Director or in fixing the number of Directors to retire, but he shall ipso facto and immediately cease to be the Managing Director if he ceases to hold office of Director for any cause.
- IX. The Managing Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whatsoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Managing Director shall during the continuance of his employment hereunder also use his best endeavors to prevent any other person from doing so.

The details and information to be provided as per schedule V of the Companies Act, 2013 with the notice of Annual General Meeting for providing remuneration in case of inadequate profits is done away with as per Notification dated 12<sup>th</sup> September, 2018. Hence the same is not provided herein as part of notice of Annual General Meeting.

The terms of remuneration as set out in the Resolution are in accordance with the applicable provisions of Companies Act, 2013, Rules made there under read with Schedule V to the Companies Act, 2013. The Board of Directors are of the opinion that the revised remuneration of Mr. Vinod Lath, Managing Director, is in the best interest of the Company and accordingly, recommend the resolution as set in Item No. 8 for approval of the members.

Brief profile of Mr. Vinod Lath are as follows:

Mr. Vinod Gajanand Lath (DIN: 00064774) is a commerce graduate with immense experience in the field of marketing, finance and administration. Further, he being a founder promoter of the Company has experience of over four decades in Management and Administration, thus the

Company stands to gain tremendously from his vast experience and thereby proposes to avail his services as a Managing Director despite him attaining 75 years of age for the benefit of all stakeholders.

Reason for appointment of Mr. Vinod Lath as Managing Director after attending the age of 70 years, are as follows:

Further, Mr. Vinod Lath holding DIN 00064774 is 75 years of age and is a Commerce Graduate by educational qualification and is having experience in Marketing, Finance & Administration. He has over the years gained immense experience and knowledge in the field Administration and Finance. Further he being a Founder Promoter of the Company has experience of over Four Decades in Management and Administration, thus the Company stands to gain tremendously from his vast experience and thereby proposes to avail his services as a Managing Director despite him attaining 75 years of age for the benefit of all stakeholders.

Details as required under Schedule V of the Companies Act, 2013:

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Vinod Lath as Managing Director of the Company and as approved by the Board is required to be approved by Members at their meeting due inadequacy of profits for the year ended 31<sup>st</sup> March, 2024.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interests payable thereon for continuous period of 30 days in preceding financial year and in current financial year. Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following statement is given apart information already provided in note 22 above:

Sr. No.	Particulars	Remark
<b>General Information</b>		
1.	Nature of industry	Manufacturer and supplier of a wide range of fabrics.
2.	Date of commencement of commercial production	Since inception
3.	Financial performance based on given indicators	Revenue from operation: INR 18020.58 Lakhs Total Expenses: INR 17665.02 Lakhs Profit Before Tax: INR 374.53 Lakhs Profit After Tax: 223.58 Lakhs
4.	Foreign investments or collaborations, if any.	Nil
<b>Information about Mr. Vinod Lath</b>		
5.	Background details	Mr. Vinod Lath holding DIN 00064774 is 75 years of age and is a Commerce Graduate by educational qualification and is having experience in Marketing, Finance & Administration. He has over the years gained immense experience and knowledge in the field Administration and Finance.
6.	Past remuneration	INR 2,00,000 per month.
7.	Recognition or award / Job Profile and his suitability	He being a Founder Promoter of the Company has experience of over Four Decades in Management and Administration, thus the Company stands to gain tremendously from his vast experience and thereby proposes to avail his services as a Managing Director despite him attaining 75 years of age for the benefit of all stakeholders.

8.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The remuneration proposed to be paid to Managing Director is well within the market standards.
9.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	Other than mentioned above and in the financial statement (Note 43 – Related parties disclosure), no other pecuniary relationship directly or indirectly with the Company is held by Mr. Vinod Lath. Also, no other relationship is held by Mr. Vinod Lath with other KMP and Directors of the Company, except as mentioned in the financial statement (Note 43 – Related parties disclosure).
<b>Other Information</b>		
6.	Reasons of loss or inadequate profits	Due to reduction in revenue, marginal increase in expenses and less profit margin, the profit is inadequate for payment of remuneration to executive directors of the Company.
7.	Steps taken or proposed to be taken for improvement.	The Company is planning to strengthen their marketing strategies, reduction in production cost and try to increase its profit margin.
8.	Expected increase in productivity and profits in measurable terms	The Company has also drawn up an elaborate Business Plan and action plans to reduce its expenses and focus on increasing its profit margins.

Other than Mr. Vinod Lath holding 3,22,000 equity shares and Mr. Pradeep Roongta being relative, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

The Board recommends the resolution at Item no. 4 to be passed as a Special Resolution.

**Item no. 5: RE-APPOINTMENT OF PRADEEP ROONGTA AS WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER AND APPROVAL FOR PAYMENT OF REMUNERATION:**

Mr. Pradeep Roongta was re-appointed as Whole Time Director and CFO of the Company for a period of 5 (five) Years w.e.f. 1<sup>st</sup> September, 2024 to 31<sup>st</sup> August, 2029 and remuneration payable for the period of 3 (three) years at the Board Meeting held on 26<sup>th</sup> July, 2024 subject to ratification of appointment by shareholders in the ensuing Annual General Meeting

Shareholders' approval is also to be received for payment of remuneration to Mr. Pradeep Roongta for the period of 3 (three) years from the date of re-appointment as Whole Time Director and CFO of the Company which is recommended by the Nomination and Remuneration committee in its meeting held on 26<sup>th</sup> July, 2024. In addition, Regulation 17 (6) of SEBI (Listing obligations Disclosures Requirements), 2015, states that the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, where there is more than one such director, if the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

The Companies (Amendment) Act, 2017 brought changes in the provisions of Section 197 and Schedule V of the Companies Act, 2013 relating to Appointment and Remuneration of Managerial Personnel by removing the requirement of Central Government approval for payment of remuneration in excess of 11% of net profits of the company and also increased the limits of yearly Managerial Remuneration in case of no profit or inadequate profit.

The Companies Amendment Act, 2017 replaces the Central Government approval with the requirement of obtaining shareholders' approval through a special resolution.

Approval of the shareholders is, therefore, being sought for the revision of remuneration of Mr. Pradeep Roongta, Whole Time Director of the company as specified in the resolution and for payment of overall managerial remuneration in excess of 11% of net profits, including in the event of loss or inadequacy of profits in any financial year during the tenure of appointment of the company computed in accordance with Schedule V of the Companies Act, 2013 which shall be approved for the remaining tenure of the appointment.

Major terms of Remuneration of Mr. Pradeep Roongta, Whole Time Director and CFO, are as follows:

- I. **Salary:** Rs. 2,00,000/- p.m. (Rupees Two Lakhs Only) & the Board of Directors be authorized to determine the salary and grant such increases from time to time within the limits specified as per the Act.
- II. **Minimum remuneration:** In the absence of inadequacy of profits in any financial year, (a) subject to the approval of the necessary authorities, the remuneration payable to Mr. Pradeep Roongta by way of salary and perquisites shall be the maximum amount permitted as per Schedule V, as amended from time to time or as approved by the shareholders in the General Meeting.
- III. Salary specified herein shall be payable to the Whole time Director notwithstanding the inadequacy or no profits in any financial year during his tenure.
- IV. The Whole time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or committee thereof.
- V. The terms and conditions of the said appointment and/or may be altered and varied from time to time by the board as it may, in its discretion, deem fit so as not to exceed the limits specified in the Act, or any amendment hereafter in that regard.
- VI. The Whole time Director shall not become interested or otherwise concerned directly or through his wife or minor children in any selling agency of the Company as per the provisions of the Law in force as applicable to the Company.
- VII. The Whole time Director shall be entitled to reimbursement of expenses in connection with the business of the Company.
- VIII. The Whole time Director shall not during the continuance of his employment or at any time thereafter divulge or disclose to any person whosoever or make any use whatever for his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the company and the Whole time Director shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from doing so.

The details and information to be provided as per schedule V of the Companies Act, 2013 with the notice of Annual General Meeting for providing remuneration in case of inadequate profits is done away with as per Notification dated 12<sup>th</sup> September, 2018. Hence the same is not provided herein as part of notice of Annual General Meeting.

The terms of remuneration as set out in the Resolution are in accordance with the applicable provisions of Companies Act, 2013, Rules made there under read with Schedule V to the Companies Act, 2013. The Board of Directors are of the opinion that the revised remuneration of

Mr. Pradeep Roongta, Whole Time Director, is in the best interest of the Company and accordingly, recommend the resolution as set in Item No. 5 for approval of the members.

Brief profile of Mr. Pradeep Roongta are as follows:

Mr. Pradeep Roongta holding (DIN 00130283) is commerce graduate with immense experience in production and administration field. His leadership has been instrumental in driving substantial business growth and achieving impressive revenue figures. His Knowledge and presence as whole-Time Director on the Board of the company will help in bringing more experience towards smooth functioning of the Company's business.

Details as required under Schedule V of the Companies Act, 2013:

Pursuant to Section 197 read with Schedule V of the Companies Act, 2013, the remuneration payable to Mr. Vinod Lath as Managing Director of the Company and as approved by the Board is required to be approved by Members at their meeting due inadequacy of profits for the year ended 31<sup>st</sup> March, 2024.

It is hereby confirmed that the Company has not committed any default in respect of any of its debts or interests payable thereon for continuous period of 30 days in preceding financial year and in current financial year. Pursuant to Clause (iv) of Section II of Schedule V of Companies Act, 2013 the following statement is given apart information already provided in note 22 above:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Remark</b>
<b>General Information</b>		
1.	Nature of industry	Manufacturer and supplier of a wide range of fabrics.
2.	Date of commencement of commercial production	Since inception
3.	Financial performance based on given indicators	Revenue from operation: INR 18020.58 Lakhs Total Expenses: INR 17665.02 Lakhs Profit Before Tax: INR 374.53 Lakhs Profit After Tax: 223.58 Lakhs
4.	Foreign investments or collaborations, if any.	Nil
<b>Information about Mr. Vinod Lath</b>		
5.	Background details	Mr. Pradeep Roongta holding (DIN 00130283) is commerce graduate with immense experience in production and administration field. His leadership has been instrumental in driving substantial business growth and achieving impressive revenue figures.
6.	Past remuneration	INR 2,00,000 per month.
7.	Recognition or award / Job Profile and his suitability	His Knowledge and presence as whole-Time Director on the Board of the company will help in bringing more experience towards smooth functioning of the Company's business.
8.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The remuneration proposed to be paid to Whole Time Director is well within the market standards.
9.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any.	Other than mentioned above and in the financial statement (Note 43 – Related parties disclosure), no other pecuniary relationship directly or indirectly with the Company is held

		by Mr. Pradeep Roongta. Also, no other relationship is held by Mr. Pradeep Roongta with other KMP and Directors of the Company, except as mentioned in the financial statement (Note 43 – Related parties disclosure).
<b>Other Information</b>		
6.	Reasons of loss or inadequate profits	Due to reduction in revenue, marginal increase in expenses and less profit margin, the profit is inadequate for payment of remuneration to executive directors of the Company.
7.	Steps taken or proposed to be taken for improvement.	The Company is planning to strengthen their marketing strategies, reduction in production cost and try to increase its profit margin.
8.	Expected increase in productivity and profits in measurable terms	The Company has also drawn up an elaborate Business Plan and action plans to reduce its expenses and focus on increasing its profit margins.

Other than Mr. Pradeep Roongta holding 13,600 equity shares and Mr. Vinod Lath being relative, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5

The Board recommends the resolution at Item no. 5 to be passed as a Special Resolution.

**Item no. 6: REGULARISATION OF APPOINTMENT OF MS. BINDU DARSHAN SHAH (DIN: 07131459) AS NON-EXECUTIVE AND INDEPENDENT WOMEN DIRECTOR OF THE COMPANY**

This is to inform you that:

- (a) The Board of Directors (based on the recommendation of Nomination and Remuneration Committee), appointed Ms. Bindu Darshan Shah (DIN: 07131459) as an additional director as well as Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024.
- (b) Pursuant to Section 161 of the Companies Act, 2013, Ms. Bindu Darshan Shah (DIN: 07131459) hold office up to the date of this Annual General Meeting.
- (c) Ms. Bindu Darshan Shah (DIN: 07131459) has given her consent to act as a Director of the Company pursuant to Section 152 of the Companies Act, 2013. Ms. Bindu Darshan Shah (DIN: 07131459) has further confirmed that she is neither disqualified nor debarred from holding the Office of Director under the Companies Act, 2013 or pursuant to any Order issued by SEBI.
- (d) The Board of Directors of the Company have recommended to regularize the appointment of Ms. Bindu Darshan Shah (DIN: 07131459) as an Independent Women Director of the Company.

**Brief profile of Ms. Bindu Darshan Shah (DIN: 07131459), are as follows:**

Ms. Bindu Darshan Shah (DIN: 07131459) is Company Secretary by profession and is into consultancy since April, 2007. During her tenure as consultant, she has gained wide exposure of company secretarial functions in big as well as medium-sized enterprises, whether public limited or private limited companies.

To take advantage of her rich experience it is proposed to regularise her appointment as Independent Women Director of the Company.



None of the Directors and the Key Managerial Personnel including their relatives are interested or concerned in passing of the aforesaid resolution except Ms. Bindu Darshan Shah (DIN: 07131459).

The Board recommends the resolution at Item no. 6 to be passed as an Ordinary Resolution.

**On behalf of The Board  
For Sunil Industries Limited**

**Sd/-  
Sourabh Sahu  
Company Secretary and Compliance Officer  
(ACS: 55322)  
Date: 26<sup>th</sup> August, 2024  
Place: Dombivli**

**SUNIL INDUSTRIES LIMITED**  
**CIN NO: L99999MH1976PLC019331**  
**REG OFFICE: D 8 MIDC PHASEII, MANPADA ROAD,**  
**DOMBIVLI (EAST), THANE, MAHARASHTRA-421201.**  
**Web: www.sunilgroup.com**  
**Tel: 0251-2870749**

**48<sup>th</sup> Annual General Meeting**

Attendance Slip Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall. I hereby record my presence at the 48<sup>th</sup> Annual General Meeting of the Company at registered office D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (E) - 421 203 Dist. Thane, Maharashtra, at 12:30 (IST) p.m. on Saturday, the 28<sup>th</sup> September, 2024.

Full name of the shareholder \_\_\_\_\_  
(in block capitals)

Signature \_\_\_\_\_

Folio No. \_\_\_\_\_ /DP ID No.\* \_\_\_\_\_ &

Client ID No.\* \_\_\_\_\_

\*Applicable for members holding shares in electronic mode.

Full name of Proxy \_\_\_\_\_  
(in block capitals)

Signature \_\_\_\_\_

**NOTE:** Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

**Form No. 11**

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN:** L99999MH1976PLC019331

**Name of the Company:** SUNIL INDUSTRIES LIMITED

**Name of the member:**

**Registered address:**

**Email ID:**

**Folio No. / Client ID:**

**DP ID:**

I/We, being the member (s) of \_\_\_\_\_ shares of the above-named Company, hereby appoint:

1. **Name:**  
**Address:**  
**E-mail ID:**  
**Signature, \_\_\_\_\_; or failing him/her**
  
2. **Name:**  
**Address:**  
**E-mail ID:**  
**Signature, \_\_\_\_\_; or failing him/her**
  
3. **Name:**  
**Address:**  
**E-mail ID:**  
**Signature, \_\_\_\_\_**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, the 28<sup>th</sup> day of September, 2024 at 12:30 p.m. at D-8, M.I.D.C., Phase II, Manpada Road, Dombivli (E) - 421 203 Dist. Thane, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Ratification of remuneration payable to Cost Auditor for Financial Year 2024-2025;
2. Re-appointment of Vinod Lath as Managing Director of the Company;
3. Re-appointment of Pradeep Roongta as Whole Time Director and Chief Financial Officer of the Company;
4. Regularisation of appointment of Ms. Bindu Darshan Shah (DIN: 07131459) as Non-Executive and Independent Women Director of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

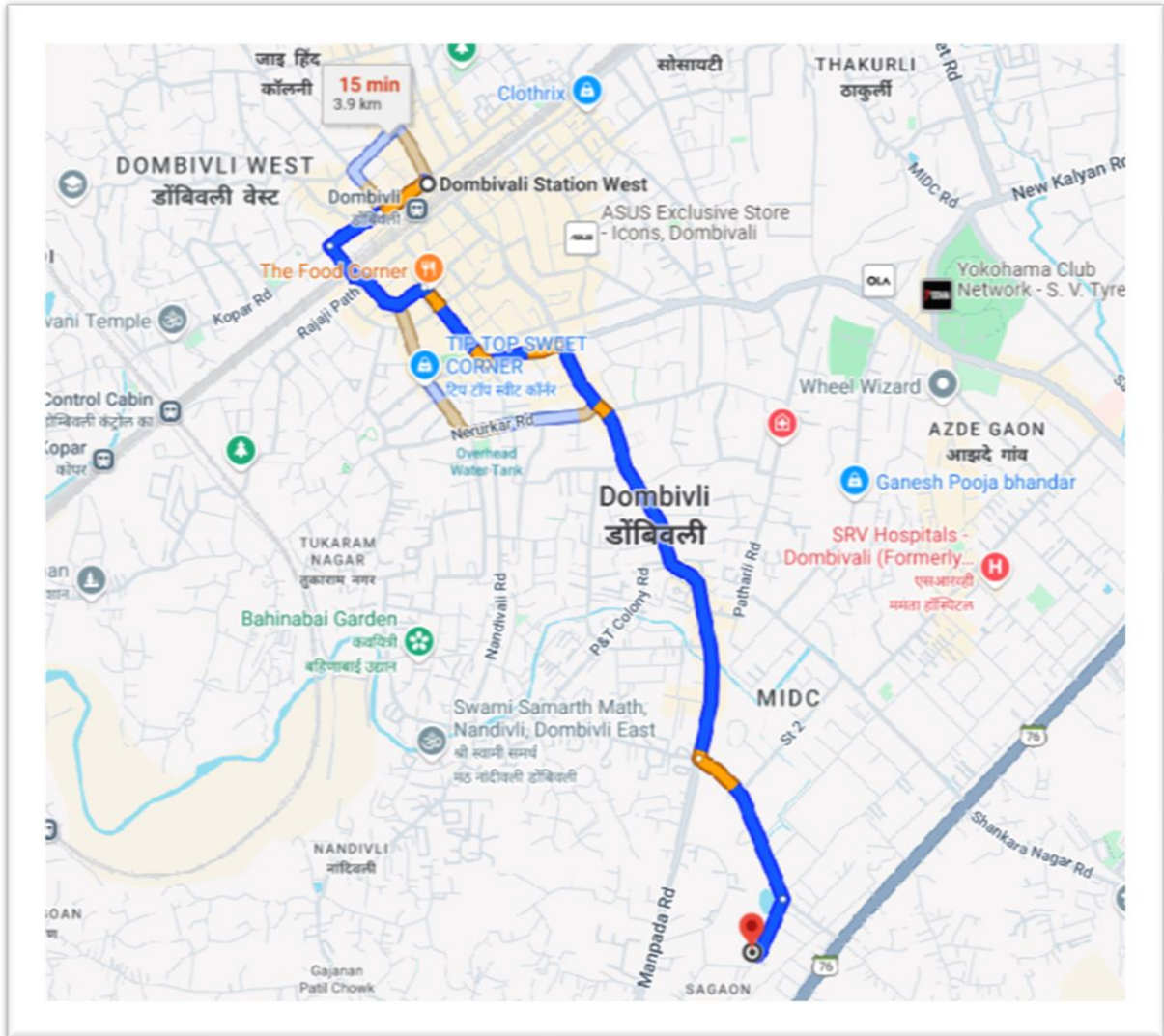
Signature of Proxy holder(s) \_\_\_\_\_

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

## ROUTE MAP

### SUNIL INDUSTRIES LIMITED

Registered Office: D 8 MIDC Phase II, Manpada Road, Dombivli (East), Thane - 421201, Maharashtra.



**DIRECTORS' REPORT TO THE SHAREHOLDERS FOR FINANCIAL YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2024.**

To,  
The Members,  
**SUNIL INDUSTRIES LIMITED,**  
**DOMBIVLI**

**Dear Members**

Your director's have great pleasure in presenting **48<sup>th</sup> Annual Report** along with the Audited Balance Sheet and Profit and Loss Account for the year ended on **31<sup>st</sup> March, 2024.**

**1. FINANCIAL RESULTS:**

The Financial Results are briefly indicated below:

Particulars	(Rs. In Lakhs)	
	Financial Year 2023-2024 (FY 2024)	Financial Year 2022-2023 (FY 2023)
<b>Total Income</b>	18,020.58	22,777.00
<b>Total Expenditure</b>	17,665.01	22,283.00
<b>Net Profit/(Loss) Before Tax</b>	<b>374.53</b>	<b>494.37</b>
<b>Provision for Tax</b>	150.95	150.38
<b>Net Profit/(Loss) After Tax</b>	<b>223.58</b>	<b>343.98</b>
<b>Other Comprehensive Income</b>	1.58	(5.69)
<b>Net Profit/(Loss) After Tax and Other Comprehensive Income</b>	<b>225.16</b>	<b>338.29</b>
<b>Profit/(Loss) b/f Previous Year</b>	1,985.39	<b>1,647.09</b>
<b>Balance c/f to Balance Sheet</b>	<b>2,210.55</b>	<b>1,985.39</b>

**2. PERFORMANCE OF THE COMPANY:**

During the year ended 31<sup>st</sup> March, 2024, your Company reported total Income of Rs. 18020.58 Lakhs which in comparison to previous year's figures have decreased by approximately 21.12%. The Net Profit after tax and OCI is Rs. 225.16 Lakhs as compared to Rs. 338.29 Lakhs in previous year which is reduced by approximately 33.45%. The overall profit carried forward to the Balance Sheet is Rs. 2210.55 Lakhs.

**3. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**

The Company does not have any Subsidiary, Joint Venture or Associate Company and therefore provision with respect to Section 129 of the Companies Act, 2013 are not applicable to the Company.

**4. DIVIDEND:**

In order to conserve the reserves for a sustainable future, your Company does not recommend Dividend for the Financial Year 2023-2024.

**5. TRANSFER TO RESERVES:**

During the year under review, no amount is proposed to be transferred to General Reserve out of the net profits of the Company for the Financial Year 2023-2024. Hence, the entire amount of profit has been carried forward to the Profit & Loss Account.

**6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there are no unpaid dividends pending of the Company.

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

During the year no Significant and Material Orders passed by the regulations or Courts or Tribunals impacting the going concern status and Company's operations in future.

**8. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the year under review, there is no change in the nature of the Company's business.

**9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed and also discussed at the meetings of the Audit Committee and the Board of Directors of the Company. Safety at work is being followed at all times.

**10. INTERNAL CONTROL SYSTEM:**

The Company's internal controls system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

**11. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:**

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, is annexed to this Annual Report.

**12. CORPORATE GOVERNANCE:**

The Company is committed towards maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure

Requirement), Regulation 2015 forms part of the Annual Report. The Certificate from the practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under Regulation 34 (3) and Part E of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 is also published in this Annual Report.

### **13. STATUTORY STATEMENT:**

#### **A. CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE ETC:**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is ***Annexure A to Director's Report.***

#### **B. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There have being no material changes and commitments affecting the financial position of the Company occurred during the financial year.

### **14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, transactions are being reported in ***Form AOC-2 i.e., Annexure B*** in terms of Section 134 Companies (Accounts) Rules, of the Act read with Rule 8 of the 2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards as applicable to the Company.

All Related Party Transactions are presented to the Audit Committee and the Board and wherever forecasted omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at [www.sunilgroup.com](http://www.sunilgroup.com).

### **15. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135 of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

### **16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The particulars of investment made under Section 186 of the Companies Act, 2013 have been disclosed in the financial statements in Note 4 of the Financial Statement.

The Company has not given any loans falling under Section 185 and 186 of the Companies Act 2013 nor has it provided any corporate bank guarantee.

**17. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and it redresses complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any of the employees of the Company.

**18. EXPLANATION OR COMMENTS ON QUALIFICATION, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICISING COMPANY SECRETARY IN THEIR REPORTS:**

The Statutory Auditor's Report does not contain any qualifications, reservations or adverse remarks, but Secretarial Audit Report contains qualifications pursuant to Regulations 31 (2) of Listing Obligation, Disclosure Requirements, Regulations 2015 for Dematerialization of Promoters shareholding. The company would like to inform that Promoters being distant relatives of each other are scattered all over and hence it is very difficult to convert each promoter's physical holding into Demat, however the company is in the process for conversion of the same as per Regulations 31 (2) of LODR. The Report of the secretarial auditor in MR-3 is given as an Annexure which forms part of this report.

**19. ANNUAL RETURN:**

The Annual Return pursuant to the provisions of Section 92 read with Rule 12 of (Management and Administration) Rules, 2014 is available at the Website of the Company [www.sunilgroup.com](http://www.sunilgroup.com)

**20. DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the year under review.

**21. PARTICULARS OF EMPLOYEES AND MEDIAN REMUNERATION:**

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:**

NAME OF THE DIRECTORS	RATIO TO MEDIAN REMUNERATION
<b>Non-executive Directors</b>	
Mr. Rajesh Tibrewal	NA
Mr. Rohit Gadia	NA



Mrs. Shruti Saraf	NA
<b>Executive Directors</b>	
Mr. Vinod Lath	1: 16.10
Mr. Pradeep Roongta	1: 16.10
<b>Company Secretary</b>	
Mr. Saurabh Sahu	1:178.85

- b. **The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

<b>Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary</b>	<b>% Increase in Remuneration in the Financial Year</b>
Mr. RohitGadia	NA
Mr. Rajesh Tibrewal	NA
Mrs. ShrutiSaraf	NA
Mr. Vinod Lath	No change
Mr. Pradeep Roongta	No change
Mr. Saurabh Sahu	No changes

- c. The median remuneration for the year 2023-2024 is Rs 22,94,589.
- d. The percentage increase/(decrease) in the median remuneration of employees in the financial year: 6.31%
- e. The number of permanent employees on the rolls of Company: 30
- f. The explanation on the relationship between average increase in remuneration and Company Performance:

On an average, employees received an annual increase of 0.21%.

The overall decrease in aggregate remuneration is due to reduction of employees. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- g. **Comparison of the remuneration of the key managerial personnel against the performance of the Company:**

<b>Aggregate remuneration of Key Managerial Personnel (KMP) in FY 31.03.2024 (In Lacs)</b>	
Revenue	Rs. 18,020.58
Remuneration of KMPs (as a % of revenue)	0.28%
Profit before Tax (PBT)	Rs. 374.53/-
Remuneration of KMP (as a % of PBT)	13.39%

- h. **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and**

**point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase was around 0.21%

The increase in the managerial remuneration for the relevant year as compared to previous year is Nil.

**i. Comparison of each remuneration of the key managerial personnel against the performance of the Company:**

	<b>Mr. Vinod Lath</b> (Managing Director)	<b>Mr. Pradeep Roongta</b> (Whole-Time Director & CFO)	<b>Mr. Ramesh Khanna</b> (Whole-Time Director)	<b>Mr. Saurabh Sahu</b> (Company Secretary)
Remuneration in FY 2023-2024 (in Rs)	24,00,000	24,00,000	Nil	2,16,000
Revenue is Rs. 18020.58 Lakhs				
Remuneration as % of Revenue	0.13%	0.13%	Nil	0.01%
Profit before Tax (PBT): Rs. 374.53 Lakhs				
Remuneration as % of Profit before Tax	6.41%	6.41%	Nil	0.57%

**j. The key parameters for any variable component of remuneration availed by the directors:**

There are no variable components of remuneration provided to the Directors.

**The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None**

**k. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on 30<sup>th</sup> August, 2021 that the remuneration is as per the remuneration policy of the Company. The policy is available on the company's website: [www.sunilgroup.com](http://www.sunilgroup.com).

**l. The statement containing particulars and remuneration paid to employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company since there are no employees drawing remuneration in excess of the prescribed limits and hence not disclosed in the Report.**

## **22. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

### **A. Composition of Board of Directors (including Independent Directors/Non-Executive Directors):**

The present composition of the Board is in compliance with the provisions of Section 149 of the Companies Act, 2013. As on date; Ms Bindu Shah, Mrs. Shruti Saraf and Mr. Rajesh Tibrewal are the Independent Directors on the Board.

Mr. Rohit Gadia (DIN: 02175342) ceased to be Independent Director of the Company w.e.f. 31<sup>st</sup> March, 2024, due to completion of his second term as Independent Director of the Company.

Ms. Bindu Shah was appointed as an additional director and also as an Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024, and who holds office upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2023 – 2024 should have been held, whichever is earlier and who is eligible for appointment under the relevant provisions of the Companies Act, 2013 and it is proposed to regularise her appointment as an Independent Women Director of the Company to hold office for the period of 5 (five) years w.e.f. 29<sup>th</sup> June, 2024, at the ensuing Annual General Meeting of the Company.

### **DECLARATION OF INDEPENDENT DIRECTORS**

The Company has received declarations from all these Independent Directors confirming that they meet with the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and read with the Schedules and Rules issued thereunder as well as Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year**

The Board states that during the financial year there has been no new appointment of Independent Directors and its present three Independent Directors fulfil the conditions of integrity, expertise and experience based on the size and operations of your Company. Further the Board hereby states that by virtue of Independent Directors being appointed as for a period of 5 years or more, therefore by virtue of the same the mandatory online proficiency self-assessment test is exempted for the Independent Directors of your Company.

### **Key Managerial Personnel/ Executive Directors:**

Mr. Vinod Lath, Managing Director, Mr. Pradeep Roongta, Whole Time Director, Mr. Saurabh Sahu, Company Secretary are the Key Managerial Personnel of the Company.

Mr. Pradeep Chatruprasad Roongta is liable to retire by rotation in this 48<sup>th</sup> Annual General Meeting and being eligible he has offered himself for re-appointment as Whole Time Director. The Board recommends his re-appointment for your approval.

### **B. DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirms:

- i. That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- ii. That the selected accounting policies were applied consistently and the Directors 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 31<sup>st</sup> March, 2024, and that of the profit of the Company for the year ended on that date.
- iii. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on a going concern basis.
- v. The Board has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**C. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

During the financial year, the Board had met **Five (5)** times on **29-May-2023, 08-Aug-2023, 16-Aug-2023, 07-Nov-2023 and 14-Feb-2024.**

**D. AUDIT COMMITTEE:**

The Audit Committee as on date comprises of four members viz. Mr. Rajesh Tibrewal (Independent Director), Ms. Shruti Saraf (Independent Director), Ms. Bindu Shah (Independent Directors) and Mr. Pradeep Roongta (CFO and Whole Time Director). The above composition of the Audit Committee consists of 3 (three) Independent Directors who form a majority. The Role of the Committee is provided in the Corporate Governance Report. The Audit Committee Met 4 (Four) times in the financial year. All the recommendations made by the Audit Committee during the year were accepted by the Board.

Due to retirement of Mr. Rohit Gadia (DIN: 02175342) as an Independent Director of the Company w.e.f. 31<sup>st</sup> March, 2024, and appointment of Ms. Bindu Shah as an Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024, the constitution of audit committee was changed and the present audit committee are as follows:

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	Mr. Pradeep Roongta	Member
4.	Ms. Bindu Shah	Member

Mr. Saurabh Sahu, Company Secretary is the secretary to the Audit Committee.

**E. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee of Directors have approved a policy for selection, appointment and remuneration of Directors which inter-alia requires that composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management Employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/ criteria while recommending the

candidature for the appointment as Director. The Committee Met **1 (One)** times in the financial year.

Due to retirement of Mr. Rohit Gadia (DIN: 02175342) as an Independent Director of the Company w.e.f. 31<sup>st</sup> March, 2024, and appointment of Ms. Bindu Shah as an Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024, the constitution of nomination and remuneration committee was changed and the present nomination and remuneration committee are as follows:

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	Ms. Bindu Shah	Member

Details of the Nomination, Remuneration and Evaluation Policy are set out are available at website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com).

**F. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

Pursuant to Section 178 of the Companies Act, 2013, the Stakeholder's Relationship Committee constituted by the Board of Directors to deal with the matters related to stakeholders' grievances met 1 (One) times during the Financial Year.

The details of status of grievances received from various stakeholders during the financial year are furnished in the Corporate Governance Report.

Due to retirement of Mr. Rohit Gadia (DIN: 02175342) as an Independent Director of the Company w.e.f. 31<sup>st</sup> March, 2024, and appointment of Ms. Bindu Shah as an Independent Women Director of the Company w.e.f. 29<sup>th</sup> June, 2024, the constitution of stakeholders' relationship committee was changed and the present stakeholders' relationship committee are as follows:

<b>Sl. No.</b>	<b>Name</b>	<b>Designation</b>
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	Ms. Bindu Shah	Member

**G. ANNUAL EVALUATION BY THE BOARD:**

In compliance with the Companies Act, 2013, and Regulation 17 of the Listing Regulations, 2015 the performance evaluation of the Board and its Committees were carried out during the year under review. More details on the same are given in the Annexure to Corporate Governance Report.

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings.
- ii. Quality of contribution to Board deliberations.
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance.
- iv. Providing perspectives and feedback going beyond information provided by the management.
- v. Commitment to shareholder and other stakeholder interests.

- vi. The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

#### **H. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The familiarization programme aims to provide Independent Directors with the Textile industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarization programme for Independent Directors is posted on Company's website at [www.sunilgroup.com](http://www.sunilgroup.com) along with the Familiarization programme for F.Y 2023-2024 along with the hours spent on the Programme.

#### **I. SECRETARIAL STANDARDS:**

Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2 as revised by the ICSI, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been followed by the Company.

#### **23. VIGIL MECHANISMPOLICY FOR DIRECTORS AND EMPLOYEES:**

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. The Company has also provided direct access to Chairman of Audit Committee on reporting issues concerning the interests of co-employees and the Company. The Vigil Mechanism Policy is available at the website of the company: [www.sunilgroup.com](http://www.sunilgroup.com). No instance under the Whistle Blower Policy was reported during the financial year 2023-2024.

#### **24. PUBLIC DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the year under review.

#### **25. REPORTING OF FRAUD BY AUDITORS**

During the year under review, the Auditors of the Company have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act.

#### **26. AUDITORS AND AUDITORS REPORT:**

##### **A. STATUTORY AUDITORS:**

M/s.V.K. Beswal & Associates, Chartered Accountants, Mumbai registered with the Institute of Chartered Accountants of India were appointed as Statutory Auditors at the Annual General Meeting held on Saturday, 23rdSeptember, 2023 for the period of five (5) years. i.e., upto the Annual General Meeting to be held in year 2028.

##### **B. COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is applicable to your Company.

**C. COST AUDITOR:**

M/s Shanker Chaudhary & Co, Cost Accountant are appointed as Cost Accountants in compliance of Section 148(1) read with Section 139 of the Companies Act, 2013 to audit Cost records maintained by the Company for the financial year commencing from 01st April, 2024 and ending 31st March, 2025 at a remuneration of Rs. 1,30,000 (Rupees One Lakh Thirty Thousand only) plus Service Tax & Re-imbusement of out-of-pocket expenses.

**D. INTERNAL AUDITORS:**

The company had appointed Chetan Jain & Associates, Chartered Accountants, Mumbai, as Internal Auditor of the company for Financial Year 2024-2025.

**E. SECRETARIAL AUDITOR:**

The Company has appointed M/s HSPN & Associates LLP, Company Secretaries, as Secretarial Auditors of the Company to carry out the Secretarial Audit for the Financial Year 2024-2025 and to issue Secretarial Audit Report as per the prescribed format under rules in terms of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of secretarial Auditor is appended to this report as **Annexure C** to Director's Report.

**27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

Statutory Auditor's Report:

The report of the Statutory Auditor does not have any qualifications, reservations or adverse remarks or disclaimers made by the statutory auditors, except as mentioned in the point no. (ii)(b) of the Annexure A to the Ind AS Standalone Independent Auditor's Report.

Management's Reply: The explanation to the above is provided in the Note 54 of the Financial Statement.

Secretarial Auditor's Report:

The report of the Secretarial Auditor does not have any qualifications, reservations or adverse remarks or disclaimers made by the practicing company secretary in their reports, except the following:

- (a) Please note that some of the equity shares held by the Promoter and Promoter's group are pending to be dematerialized as required under the provisions of Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Management's Reply: We understand from the promoters and promoter's group that they are in process of completing the same in due course of time.

Internal Auditor's Report:

The report of the Internal Auditor does not have any qualifications, reservations or adverse remarks or disclaimers made by the auditors in their reports.

## **28. REPORT ON CORPORATE GOVERNANCE:**

The Report on Corporate Governance as stipulated under Regulation 34 (3) and Part C of Schedule V of the SEBI (Listing Obligation and Disclosure Requirement), Regulation 2015 prepared by HSPN Associates & LLP, Company Secretaries, forms part of the Annual Report and is annexed hereto as **Annexure D** to Director's Report.

## **29. POLICIES:**

The Company seeks to promote highest levels of ethical standards in the normal business transaction guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of certain policies for Listed Companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and amended from time to time. The policies are available on the website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com).

## **30. OTHER DISCLOSURES:**

As per the confirmation given by Registrar and Transfer Agent, the Company has nil shares that remain unclaimed by the shareholders of the Company. All shares held in demat and physical form has been duly claimed by the respective shareholders and hence the company is not required to undergo the procedural requirements of Schedule VI of the SEBI (LODR) Regulations, 2015.

The company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable.

Pursuant to Regulation 27 of (Listing Obligation and Disclosure Requirements), Regulations 2015, report on Corporate Governance is given in **Annexure D**.

## **31. CAUTIONARY STATEMENT**

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of Raw Materials, Finished Goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and other various other factors.

## **32. ACKNOWLEDGEMENTS**

Your Company wishes to sincerely thank all the customers, commercial banks, financial institution, creditors etc. for their continuing support and co-operation.



Your Directors express their appreciation for the dedicated and sincere services rendered by the employees of the company and also sincerely thank the shareholders for the confidence reposed by them in the company and from the continued support and co-operation extended by them

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
DIN: 00064774**

**Date: 26<sup>th</sup> August, 2024  
Place: Dombivli.**

## **ANNEXURE A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

Information pursuant to the Companies (Accounts) Rules, 2014

### **A. CONSERVATION OF ENERGY:**

In line with the company's commitment towards conservation of energy, all units continue with their endeavour to make more efficient use of energy through improved operational and maintenance practices. The measures taken in this direction at the units are as under:

- Replaced inefficient motors with energy efficient motors;
- Installed power factor capacitor banks to save energy;
- Heat recovery from CRP hot water to boiler feed;
- Increase in temperature of feed water for saving on coal consumption in boilers;
- Sheds were covered by installing Natural ventilation equipment;
- Made use of waste water generated by cooling coil moisture;
- Trimming of impellers to save on power consumption in chilled water pumps;

		<b>31/03/2024</b>	<b>31/03/2023</b>
<b>A.</b>	<b>POWER &amp; FUEL CONSUMPTION</b>		
1.	Electricity		
a)	Purchased		
	Units (in lakhs) (in kwh)	28.47	36.69
	Amount in Rupees (in lakhs)	202.85	246.78
	Rate per Unit (in Rupees)	7.12	6.72
<b>B.</b>	<b>CONSUMPTION PER UNIT OF PRODUCTION</b>		
	Fabrics (kwh/meter)	0.08	0.15

### **B. TECHNOLOGY ABSORPTION**

Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

### **C. RESEARCH AND DEVELOPMENT**

Regarding Research and development and technology absorption is not enclosed due to the fact that there is at present no scope for R&D and absorbing any new technology in view of type of product which is accepted by the customers. However, your company shall certainly go for it in future if any new development in technology takes place.

<b>Research and Development (R &amp; D)</b>	<b>31/03/2024 Rs.</b>	<b>31/03/2023 Rs.</b>
Expenditure on (R & D)	Nil	Nil

### **D. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows are as under:

<b>Particulars</b>	<b>31/03/2024 Rs in Lakhs</b>	<b>31/03/2023 Rs in Lakhs</b>
<b>Foreign exchange Earnings</b>	--	--
(FOB Value of Exports)	--	--

<b>Foreign Exchange outgo:</b>		
Cloth imported (Purchased)	--	--
Machine Imported (CIF Value)	--	--
Foreign travel	--	--

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
DIN: 00064774**

**Date: 26<sup>th</sup> August, 2024  
Place: Dombivli.**

**ANNEXURE B TO THE DIRECTORS' REPORT  
FORM NO. AOC - 2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by Sunil Industries Limited with the 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:**

(a) Name(s) of the related party and nature of relationship	<b>NIL</b>
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of material contracts or arrangement or transactions at Arm's Length Basis:**

(a) Name(s) of the related party and nature of \ Relationship	<b>NIL</b>
(b) Nature of contracts/ arrangements/ transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any	

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
DIN: 00064774**

**Date: 26<sup>th</sup> August, 2024  
Place: Dombivli.**

**ANNEXURE C TO DIRECTORS REPORT**  
**Secretarial Audit Report**

**Form No. MR-3**

**FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> 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,  
**Sunil Industries Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUNIL INDUSTRIES LIMITED** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> 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:

We have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31<sup>st</sup> March 2024, to the extent applicable to the Company:

- i. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company:
  - 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;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; ***Not Applicable to the Company during the period under review;***
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; ***Not Applicable to the Company during the period under review;***
  - f. The Securities and Exchange Board of India (Registrars to and Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; ***Not Applicable to the Company during the period under review;***

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***Not Applicable to the Company during the period under review; and***
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; ***Not Applicable to the Company during the period under review;***
- vi. The Management has identified and confirmed the following applicable Acts, Laws and Regulations specifically applicable to the Company being the Company is into the business of textile industries:
- a. The Air (Prevention and Control of Pollution) Act, 1981 and the Rules made thereunder.
  - b. The Water (Prevention and Control of Pollution) Cess Act and Rules.
  - c. Environment Protection Act, 1986 read with Environment (Protection) Rules, 1986
  - d. Pollution Prevention and Control Act 1999.

We have also examined compliances with the applicable clauses of the following:

- a. Secretarial Standards 1 and 2 issued and revised by The Institute of Company Secretaries of India.
- b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines, mentioned above subject to the following observation:

***Please note that some of the equity shares held by the Promoter and Promoter's group are pending to be dematerialized as required under the provisions of Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.***

**We further report that:**

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

- Mr. Rohit Gadia (DIN: 02175342) ceased to be Independent Director of the Company w.e.f. 31<sup>st</sup> March, 2024, due to completion of his second term as Independent Director of the Company.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

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

**We further report that during the audit period:**

- a. M/s. P R Agarwal & Awasthi, Chartered Accountants tendered their resignation as Statutory Auditors of the Company w.e.f., 08<sup>th</sup> August, 2023.
- b. V.K. Beswal & Associates, Chartered Accountants was appointed as Statutory Auditors of the Company, who holds office up to the date of the AGM to be held in 2024.

**Place:** Mumbai

**Date:** 26<sup>th</sup> August, 2024

**ICSI UDIN:** F009068F001045136

**For HSPN & Associates LLP  
Company Secretaries**

**Sd/-**

**Piyush A Gohel**

**Partner**

**FCS No.: 9068**

**COP No.: 27451**

**Peer Review No.: 2507/2022**

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

**Annexure - I to Form MR - 3**

To,  
The Members,  
**Sunil Industries Limited**

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

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

**Place:** Mumbai  
**Date:** 26<sup>th</sup> August, 2024  
**ICSI UDIN:** F009068F001045136

**For HSPN & Associates LLP**  
**Company Secretaries**

**Sd/-**  
**Piyush A Gohel**  
**Partner**  
**FCS No.: 9068**  
**COP No.:27451**  
**Peer Review No.: 2507/2022**



## ANNEXURE D TO THE DIRECTORS REPORT

### CORPORATE GOVERNANCE REPORT

#### **1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:**

The Corporate Governance regulations were issued by Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1st December, 2015) and as amended from time to time. The same has been implemented by the Company.

The Company believes in maximum utilization of resources at minimum cost and attaining maximum long-term shareholders value.

#### **2. BOARD OF DIRECTORS:**

##### **a) Composition and Category of Board of Directors:**

- The Board of the Company comprised of 5 (Five) Directors as on March 31, 2024 out of which 1 (One) is Managing Director, 2 (Two) Whole Time Director, 3 (three) are Independent Non-Executive Directors and among them 1 (One) is Women Non-Executive Independent Director of the Company.
- There isn't any Nominee Director or Institutional Directors appointed in the Company.
- None of Directors has pecuniary or business relationship with the Company other than as mentioned elsewhere in Annual Report. No Director of the Company is either member in more than 10 (Ten) committees and/or Chairman of more than 5 (Five) committees across all Companies in which he or she is a director.
- During the year Mr. Ramesh Chamanlal Khanna (DIN: 00130351) has resigned as Whole-Time Director dated February, 28 2023.
- Mr Pradeep Chatruprasad Roongta (DIN:00130283) is Re-appointed as Whole-time Director in Annual General Meeting held on 23<sup>th</sup> September 2023 who was liable to rotation.

##### **b) Details of attendance of each director at the meeting of the board of Directors and the last Annual General Meeting:**

The following table gives the attendance of the Directors at Board Meetings of the Company and also other Directorship other than the Company and Chairmanship/Membership in Board Committees of public limited companies:

<b>Sr . N o.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Board Meetin gs Attende d</b>	<b>Attenda nce at Last AGM</b>	<b>*No. of other Directors hip</b>	<b>No. of Other Committee Membership / chairmanshi p in other Companies</b>
1.	Mr. Vinod Lath	Promoter Chairman &	29-May- 23 08-Aug-	Yes	Nil	Nil

		Managing Director	23 16-Aug-23 07-Nov-23 14-Feb-24			
2.	Mr. Pradeep Roongta	Whole Time Director	29-May-23 08-Aug-23 16-Aug-23 07-Nov-23 14-Feb-24	Yes	<b>Nil</b>	<b>Nil</b>
3.	Mr. Rajesh Tibrewal	Independent and Non-Executive Directors	29-May-23 08-Aug-23 16-Aug-23 07-Nov-23 14-Feb-24	Yes	<b>Nil</b>	<b>Nil</b>
4.	Mr. Rohit Gadia	Independent and Non-Executive Directors	29-May-23 08-Aug-23 16-Aug-23 07-Nov-23 14-Feb-24	Yes	2	<b>Nil</b>
5.	Ms. Shruti Saraf	Woman Independent Non-Executive Director	29-May-23 08-Aug-23 16-Aug-23 07-Nov-23 14-Feb-24	Yes	<b>Nil</b>	<b>Nil</b>

\* Directorship only of public limited company is considered

c) **Number of other board of directors or committees in which a directors is a member or Chairperson**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>*No. of other Directorship</b>	<b>No. of Other Committee Membership in other Companies</b>	<b>No. of Other Committee Chairmanship in other Companies</b>
1.	Mr. Vinod Lath	2	Nil	Nil
2.	Mr. Pradeep Roongta	1	Nil	Nil
4.	Mr. Rajesh Tibrewal	Nil	Nil	Nil
5.	Mr. Rohit Gadia	3	Nil	Nil
6.	Ms. Shruti Saraf	Nil	Nil	Nil

**d) Number of meetings of the board of directors held and dates on which held:**

During the year, there were in total **5 (Five)** Board Meetings were held. The time gap between the two meetings was not more than 120 days. All the information required to be furnished to the Board was made available to them along with detailed Agenda notices.

The dates on which the Board Meetings were held are as follows

1. 29-May-23
2. 08-Aug-23
3. 16-Aug-23
4. 07-Nov-23
5. 14-Feb-24

**e) Disclosure of Relationships between Directors Inter-se:**

- Mr. Vinod Lath is the Managing Director & Chairman and is related to Mr. Pradeep Roongta being a relative as per Companies Act, 2013.
- Mr. Pradeep Roongta is the CFO & Whole-time Director and is related to Mr. Vinod Lath being a relative as per Companies Act, 2013.
- Mr. Rajesh Tibrewal is a Non-Executive Independent Director and is not related to any of the other Members of the Board of Directors.
- Ms. Shruti Saraf is a Non-Executive Independent Woman Director and is not related to any of the other Members of the Board of Directors.
- Ms. Bindu Darshan Shah is a Non-Executive Independent Woman Director and is not related to any of the other Members of the Board of Directors.

**f) Number of shares and convertible instruments held by Non-Executive Directors:**

<b>Sr. No.</b>	<b>Name of the Non-Executive Director</b>	<b>No. of Shares held</b>	<b>No. of convertible instruments held</b>
1.	Rajesh Tibrewal	Nil	Nil

2.	Shruti Saraf	Nil	Nil
3.	Mr. Rohit Gadia	Nil	Nil

**g) Details of Familiarization programmed imparted to Independent Directors for FY 2023-2024:**

On appointment, the concerned Director is issued a Letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director & CEO, Executive Committee Members and other Functional Heads on the Company's manufacturing, marketing, finance and other important aspects. The program also includes visit to the plant to familiarize them with all facets of textile manufacturing. The details of familiarization program imparted for FY 2023-2024 can be accessed from the website: [www.sunilgroup.com](http://www.sunilgroup.com).

**h) The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

<b>Business Management</b>	Understanding of business dynamics, during various market conditions, industry verticals and regulatory jurisdictions and applying the same in organising, planning and analysing company's business operation.
<b>Strategy, Leading and Planning</b>	Setting priorities, focusing resources and motivating employees towards achievement of common goal and objective of the organisation.
<b>Corporate Governance</b>	Developing good corporate governance practices that impacts all aspects of the organisation linked to transparency, accountability and trust, which serve the best interests of all stakeholders and strike a right balance between board and management accountability.

**In the table below, the areas of core competencies, skills and attributes of Individual Directors have been highlighted**

Sr. No.	Name of Director	Business Management	Strategy, Leading and Planning	Corporate Governance
1.	Mr. Vinod Lath	Yes	Yes	Yes
2.	Mr. Pradeep Roongta	Yes	Yes	-
4.	Mr. Rajesh Tibrewal	Yes	Yes	Yes
5.	Mr. Rohit Gadia	Yes	-	Yes
6.	Mrs. Shruti Saraf	Yes	-	Yes

**i) Board Evaluation:**

The Board has adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties &

obligations, governance issues, quality of contribution to Board deliberations, commitment to shareholders and other stakeholder interests etc.

**j) Code of Conduct:**

The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website: [www.sunilgroup.com](http://www.sunilgroup.com). All board members and senior management personnel have affirmed compliance with the code of conduct for the period under review. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

**k) Meeting of Independent Directors:**

The Company's Independent Directors met on 14<sup>th</sup> February 2024 without the presence of the Managing Director & CEO, Non-Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.

**l) Confirmation that in the opinion of the board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.**

The Board confirms that the Independent Directors of the Company fulfil the conditions specified in SEBI LODR regulations, 2015 and the Companies Act, 2013 and are independent of the management. Further there has been no resignation of an Independent Director before the expiry of his tenure during the Financial Year 2023-2024.

**3. Audit Committee:**

**a) Brief Description of Terms of Reference:**

Broad terms of reference of the Audit Committee are as per following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the board for approval, with particular reference to:
  - i. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
  - ii. Changes, if any, in accounting policies and practices and reasons for the same.
  - iii. Major accounting entries based on exercise of judgment by management.
  - iv. Significant adjustments made in the financial statements arising out of audit findings.

- v. Compliance with listing and other legal requirements relating to financial statements.
  - vi. Disclosure of any related party transactions.
  - vii. Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
  - Review and monitor the auditors' independence and performance, and effectiveness of audit process.
  - Approval or any subsequent modification of transactions of the company with related parties
  - Scrutiny of inter-corporate loans and investments.
  - Valuation of undertakings or assets of the company, wherever it is necessary;
  - Evaluation of internal financial controls and risk management systems;
  - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
  - Discussion with internal auditors of any significant findings and follow up there on.
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
  - Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - To review the functioning of the Whistle Blower mechanism.
  - Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
  - To review report submitted by Monitoring Agency informing material deviations in the utilization of issue proceeds and to make necessary recommendations to the Board, if, when and where applicable.

- Carrying out any other function as is mentioned in the terms of reference of the Audit committee.
- Reviewing the utilisation of loans and/ or advances from investment by the holding company in the subsidiary exceeding Rs. 100 Crores or 10% of the asset size of the subsidiary, whichever is lower [including existing loans / advances / investments existing as on the date of coming into force of this provision]

**b) Composition, Name of Members and Chairperson:**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 Listing Obligation and Disclosure Requirement, 2015. The Audit Committee comprises of 3 Non-Executive Independent Directors and 1 Executive Director.

The Audit Committee met **Four (4) times** in financial year 2023-2024 viz: **29-May-2023, 08-Aug-2023, 07-Nov-2023 and 14-Feb-2024**. The necessary quorum was present in the said meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 23rd September, 2023. The composition of the Committee during the year 2023-2024 and the details of meetings held and attended by the members are as under:

Sl. No.	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	Mr. Pradeep Roongta	Member
4.	*Mr. Rohit Gadia	Member
5.	**Ms. Bindu Shah	Member

Mr. Saurabh Sahu, Company Secretary is the secretary to the Audit Committee.

\* Cease to be member w.e.f. 31<sup>st</sup> March, 2024.

\*\* Appointed as member w.e.f. 29<sup>th</sup> June, 2024.

**c) Meetings and Attendance during the year:**

The Audit Committee has held 4 (Four) meetings during the year and attendance of the meetings is given below:

The Audit Committee met **4 (Four) times** in Financial Year 2023-2024 viz. **29-May-2023, 08-Aug-2023, 07-Nov-2023 and 14-Feb-2024**.

Sl. No.	Name of Director	Category of Directorship	No. of Committee Meetings attended
1.	Mr. Rajesh Tibrewal	Independent Director	4
2.	MS. Shruti Saraf	Independent Director	4
3.	Mr. Pradeep Roongta	Whole-Time Director	4
4.	Mr. Rohit Gadia	Independent Director	4

**4. Nomination & Remuneration Committee:**

**a) Brief Description of Terms of Reference:**

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178(3) and (4) of the Companies Act, 2013 read with Regulation 19 Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015. Nomination and Remuneration Committee comprises of 3 Non-Executive Independent Directors.

The Nomination and Remuneration Committee met **(1) One** times during the year 2023-2024. The necessary quorum was present in the said meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 23rd September, 2023. The Committee comprises of 3 Non-Executive Independent Directors.

**ROLE OF NOMINATION AND REMUNERATION COMMITTEE**, inter-alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
- Criteria for evaluation of performance of independent directors and the board of directors and the Chairman of the Company;
- Nomination and Remuneration Committee shall carry out evaluation of every director's performance.

**b) Composition, Name of Members and Chairperson:**

The composition of the Nomination and Remuneration Committee during the Financial Year 2023-2024 is as follows:

Sl. No.	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	*Mr. Rohit Gadia	Member
4.	**Ms. Bindu Shah	Member

Mr. Saurabh Sahu, Company Secretary is the secretary to the Audit Committee.

\* Cease to be member w.e.f. 31<sup>st</sup> March, 2024.

\*\* Appointed as member w.e.f. 29<sup>th</sup> June, 2024.

**c) Meeting and Attendance during the year:**

The Nomination and Remuneration Committee has held **1 (One)** meetings viz. 14<sup>th</sup> February 2024 during the year. The attendance of the meetings is given below:

Sl. No.	Name of Director	Category of Directorship	No. of Committee Meetings attended
1.	Mr. Rajesh Tibrewal	Independent Director	1



2.	MS. Shruti Saraf	Independent Director	1
3.	Mr. Rohit Gadia	Independent Director	1

**d) Performance Evaluation Criteria for Independent Directors:**

- **Guidelines regarding appointment of directors:** The Nomination & Remuneration Committee have approved a Policy for the Selection, Appointment and Remuneration of Directors. In line with the said Policy, the Committee facilitate the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board.

Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law and the retirement policy laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute. As required under Regulation 46(2)(b) of the Listing Obligation and Disclosure Requirements, Regulations, 2015 the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of appointment of their appointment are posted on the Company's website and can be accessed at [www.sunilgroup.com](http://www.sunilgroup.com).

- **Membership term:** As per the Articles of Association of the Company, at least two-thirds of the Board of Directors should be retiring Directors. One-third of these Directors are required to retire every year and if eligible, the retiring Directors qualify for re-appointment.
- **Meeting of Independent Directors:** The Company's Independent Directors met on **14<sup>th</sup> February 2024** without the presence of the Managing Director & CEO, Non-Independent Directors and the Management Team. The meeting was attended by all the Independent Directors and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company
- **Succession policy:** The Board constantly evaluates the contribution of its members and recommends to shareholders their re-appointment periodically as per the statute. Executive Directors are appointed by the shareholders for a maximum period of Five years of one term, but are eligible for re-appointment upon completion of their term. Non-Independent, Non-Executive Directors do not have any term, but retire by rotation as per the law.
- **Performance Evaluation Criteria of Independent Directors:** During the year, the Board adopted a formal mechanism for evaluating its performance and effectiveness as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues, quality of contribution to Board deliberations, commitment to shareholders and other stakeholder interests etc.
- **Code of Conduct:** The Board of Directors has adopted the code of conduct for the directors and senior management and the same has been placed on the company's website <http://www.sunilgroup.com>. All board members and senior management personnel have affirmed compliance with the code of conduct for the period under

review. A declaration to that effect signed by the Managing Director is attached and forms part of the Annual Report of the Company.

#### 5. **Stakeholder's Relationship Committee:**

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015. Stakeholders' Relationship Committee of 3 Non-Executive Independent Directors

The Committee periodically reviews the status of Stakeholders' Grievances and Redressal of the same. The Committee met **(1) One** times in FY 2023-2024- viz: 14.02.2024. The composition of the Committee during financial year 2023-2024 and the details of meetings held and attended by the Directors are as under:

The Stakeholder Relationship Committee has been constituted with 3 members. The committee consists of three Non-Executive Independent Directors. The committee looks into the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters.

#### **The role of the committee shall inter-alia include the following:**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

#### **Following are the members of the Committee:**

Sl. No.	Name	Designation
1.	Mr. Rajesh Tibrewal	Chairman
2.	Ms. Shruti Saraf	Member
3.	*Mr. Rohit Gadia	Member
4.	**Ms. Bindu Shah	Member

Mr. Saurabh Sahu, Company Secretary is the secretary to the Audit Committee.

\* Cease to be member w.e.f. 31<sup>st</sup> March, 2024.

\*\* Appointed as member w.e.f. 29<sup>th</sup> June, 2024.

#### **Meeting and Attendance during the year:**

The Stakeholder's Relationship Committee has (1) One time in FY 2023-2024- viz: 14.02.2024 The attendance of the meetings is given below:

Sl. No.	Name of Director	Category of Directorship	No. of Committee Meetings attended
1.	Mr. Rajesh Tibrewal	Independent Director	1
2.	MS. Shruti Saraf	Independent	1

		Director	
3.	Mr. Rohit Gadia	Independent Director	1

**Name of Non-Executive Director heading the committee:**

Mr. Rajesh Tibrewal, the Chairman and Independent Non-Executive Director is the head of the committee.

**Name and Designation of Compliance Officer:**

Mr. Saurabh Sahu (Membership Number: A55322), who is Company Secretary is also the Compliance Officer of the Company.

**Number of Shareholder's Complaints received so far:**

The company received (Nil) complaints from Shareholders during the Financial Year 2023-2024.

**Number unsolved to the satisfaction of shareholders:**

There were no unsolved complaints to the satisfaction of shareholders.

**Number of Pending Complaints:**

There were no Shareholder Complaints.

**6. Remuneration to Directors:**

**a) Pecuniary relationship or transactions of the non-executive Directors:**

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has Potential conflict with the interests of the Company at large.

**b) Criteria of making payments to non-executive Directors:**

The Nomination and Remuneration Policy devised in accordance with Section 178 (3) and (4) of the Companies Act, 2013 is available at the website of the Company: <http://www.sunilgroup.com>. Further, criteria of making payments to non-executive directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under Listing Obligation and Disclosure Requirement, 2015 have been provided in the said policy and Nomination and remuneration policy adheres to the terms and conditions of the policy while approving the remuneration payable.

**c) Disclosures with respect to remuneration:**

**i. Details of Remuneration Paid to the Directors:**

The remuneration of the managing director and executive director is recommended by the Remuneration Committee, then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

**Details of remuneration paid to Executive Directors:**

Name of Director	Mr. Vinod Lath	Mr. Pradeep Roongta
Designation	Managing Director	Chief Financial Officer & Whole Time Director
Salary	Rs. 24,00,000	Rs. 24,00,000

<b>Performance bonus</b>	--	--
<b>Provident Fund &amp; Gratuity Fund</b>	--	--
<b>Stock Option</b>	--	--

**Details of remuneration paid to Non-Executive Directors:**

<b>Name</b>	<b>Mr. Rajesh Tibrewal</b>	<b>Mr. Rohit Gadia</b>	<b>Ms. Shruti Saraf</b>
<b>Sitting fees</b>	Nil	Nil	Nil
<b>Remuneration</b>	Nil	Nil	Nil
<b>No. of Equity shares</b>	Nil	Nil	Nil
<b>Commission</b>	Nil	Nil	Nil
<b>Non-Convertible Instruments</b>	Nil	Nil	Nil
<b>Stock Option</b>	Nil	Nil	Nil

- ii. Directors are not provided with any performance linked incentives, along with the performance linked criteria.
- iii. None of the Directors have Services Contracts, apart from agreements made towards their appointment as Whole-time Directors/ Managing Director. The notice period for Resignation is 30 days however due to certain inadvertent or significant unavoidable circumstances notice of Resignation can be served and accepted without the mandatory period of 30 days.
- iv. The company has not issued any Stock Options either to its Directors or to its Employees.

**7. General Body Meetings:**

- a) **Details of last 3 (Three) Annual General Meetings and whether any Special Resolutions were passed in those three Annual General Meeting are given below:**

<b>Financial Year</b>	<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>Special Resolution(s)</b>
2020-2021	28.09.2021	04.00pm	Through video conferencing or other audio-visual means.	1. Alteration of Memorandum of Association as per the provisions of the Companies Act, 2013 2. Re-appointment of Shruti Saraf as an Independent Woman Director
2021-2022	29.09.2022	02.00pm	Through video conferencing or other audio-visual means.	1. Ratification Of Remuneration Payable to Cost Auditor for Financial Year 2022-2023 2. Re-appointment of Rajesh Sitaram Tibrewal as an

				independent director:
2022-23	23.09.2023	03.00 pm	Through video conferencing or other audio-visual means.	1. Ratification Of Remuneration Payable to Cost Auditor for Financial Year 2022-2023

**b) Extra-ordinary general meeting:**

No Extra Ordinary General Meeting of Members or Meetings of Creditors was held during last 3 years and there was no instance of Court convened meeting during last 3 years.

c) There were no Special/Ordinary resolutions passed during last year through Postal Ballot nor does the Company thus far has any plan to conduct postal Ballot and hence is not required to produce Procedure of Postal Ballot.

**8. MEANS OF COMMUNICATION:**

**a) Yearly/Quarterly Results:**

The yearly/quarterly results are duly reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company and the same have been submitted to BSE in due course of time. The Company has its website named as [www.sunilgroup.com](http://www.sunilgroup.com).

**b) Newspapers where Yearly/Quarterly Results are Published:**

The Yearly/Quarterly results are published in one English language newspaper being and one Marathi language newspaper.

**c) Website where Yearly/Quarterly Results are Published:**

The Yearly/Quarterly results are duly hosted on the Website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com) and is easily accessible in public domain at the Website of BSE Limited at <http://www.bseindia.com/stock-share-price/sunil-industries-ltd/suniltx/521232/>. The results and other mandatory information about the Company is hosted at the website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com). The website contains details as required under LODR, 2015 and Companies Act, 2013.

**d) News Releases and Presentations made to Institutional Investors or to the Analysts:**

The Company has not made any official news releases nor it has made any presentations made to Institutional Investors or to the analysts hence the same are not disclosed to BSE or on the website of the Company.

**e) Stock Exchange**

Our Company makes timely disclosures and filing to BSE Limited in terms of the SEBI Listing Regulations and other rules and regulations issued by SEBI and the same are hosted on website of said Stock Exchange.

**f) Corporate Compliance & the Listing Centre**

The Company files its financial results and other submission on the electronic filing system, i.e., Listing Centre of BSE. The same is also available on the website of BSEwww.bseindia.com.

**g) Whether it also displays official news releases**

The Company has not made any official news release during the year under review. Hence, there is no question of displaying the same.

**9. GENERAL SHAREHOLDERS INFORMATION:**

**a) Annual General Meeting - Date, Time and Venue:**

The 48<sup>th</sup> Annual General Meeting is scheduled to be held on **Saturday, the 28<sup>th</sup> day of September, 2024 at 3.00 pm** at the registered office of the Company.

**b) Financial Year:**

The Financial year of the company is from April to March. The financial calendar is as per following.

Audited annual results of the year	On or before 13 <sup>th</sup> May
First Quarter Results	On or before 12 <sup>h</sup> August
Second Quarter & Half year results	On or before 14 <sup>th</sup> November
Third Quarter Results	On or before 14 <sup>th</sup> February

**c) Payment of Dividend:**

The Board of Directors have not proposed any dividend for the Financial Year ended 31<sup>st</sup> March, 2024 with a view to conserve resources for a sustainable future.

**d) Compliance Officer Details:**

Mr. Sourabh Sahu  
Company Secretary & Compliance Officer  
Membership No. A55322  
Email: [cssunilgroup@gmail.com](mailto:cssunilgroup@gmail.com)

**e) Description of Voting Rights**

All shares issued by the Company carry equal voting rights.

**f) Listing of Stock Exchange:**

The Company's shares are listed at Bombay, Ahmedabad, Delhi and Calcutta Stock Exchanges out of which Bombay Stock Exchange (Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001) is the only functional Stock Exchange and hence all the Listing Compliances including payment of Listing Fees are made to BSE Limited only.

The Company has paid listing fees up to 31<sup>st</sup> March, 2024 to the Bombay Stock Exchange (BSE Limited).

**g) BSE Stock Code:**

Scrip Name: SUNIL INDUSTRIES LIMITED  
Scrip Code: 521232

**h) Market Price Data:**

The Stock Market Price for the period April 2023 to the end of March 2024 at BSE is given hereunder:

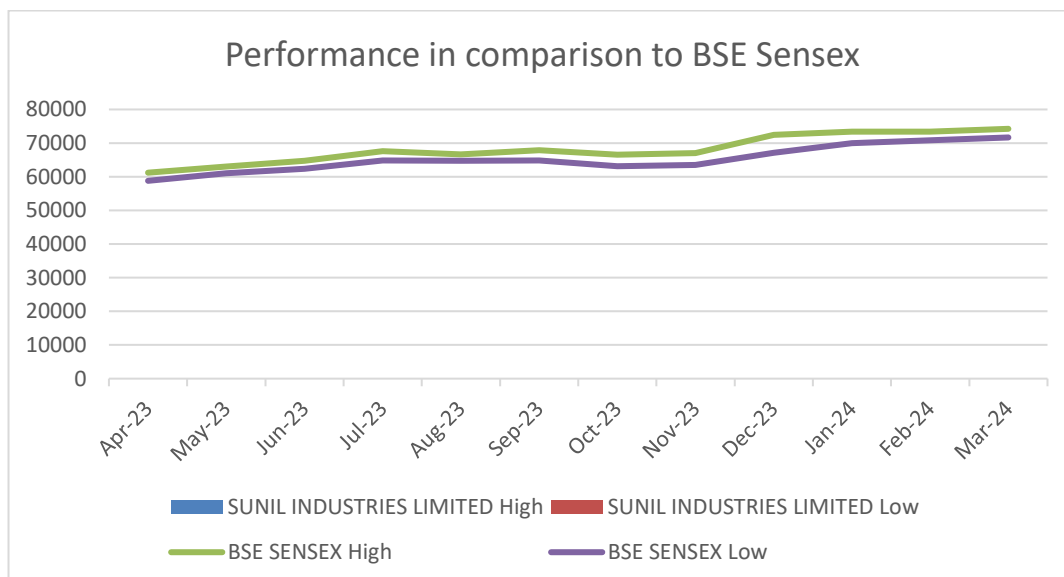
Month	BSE		
	High	Low	Volume of shares traded (Nos)
Apr-23	63.26	57	9000
May-23	57.6	44	10700
Jun-23	46.2	38	6100
Jul-23	39.9	30.41	22200
Aug-23	48.33	29	39200
Sep-23	55.47	47.37	3700
Oct-23	59.03	49.08	15300
Nov-23	59.31	42	28900
Dec-23	50.91	40.29	13300
Jan-24	62.55	45.75	30400
Feb-24	69.38	46.1	27200
Mar-24	52.5	44.5	9200

i) **Performance in comparison to broad-based indices of BSE:**

**Relative Performance of the Company's Shares Price with BSE Sensex:**

Share Price of Sunil Industries Limited v/s BSE Sensex Index for the year 2023-2024:

Month & Year	SUNIL INDUSTRIES LIMITED		BSE SENSEX	
	High	Low	High	Low
Apr-23	63.26	57	61209.46	58793.08
May-23	57.6	44	63036.12	61002.17
Jun-23	46.2	38	64768.58	62359.14
Jul-23	39.9	30.41	67619.17	64836.16
Aug-23	48.33	29	66658.12	64723.63
Sep-23	55.47	47.37	67927.23	64818.37
Oct-23	59.03	49.08	66592.16	63092.98
Nov-23	59.31	42	67069.89	63550.46
Dec-23	50.91	40.29	72484.34	67149.07
Jan-24	62.55	45.75	73427.59	70001.6
Feb-24	69.38	46.1	73413.93	70809.84
Mar-24	52.5	44.5	74245.17	71674.42



j) **The Securities of the Company are not suspended from trading and hence no explanation is provided.**

k) **Registrars and Share Transfer Agents:**

Address of Registrars and Share Transfer Agent is as follows:

**Link Intime India Private Limited.**

Add.: C 101, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai - 400083.

l) **Share Transfer System:**

The share transfer of securities in physical form are registered, duly transferred and dispatched within 30 days of the receipt, if the transfer documents are in order, and rejection are communicated within 15 days if the documents are not found in order. The share transfers are approved on fixed time interval by the persons authorized to do so by the Board. The shares in de-materialized form are processed and transferred within 15 days from receipt of dematerialization requests.

m) **Distribution of shareholding as on 31<sup>st</sup> March, 2024**

Shareholding of Shares		Number of Shareholders	% of Total Shareholders	No. of Shares	% of Total Shares
1	500	5,868	95.29	7,32,100	17.43
501	1000	141	2.29	1,18,600	2.82
1001	2000	50	0.81	79,000	1.88
2001	3000	20	0.32	51,700	1.23
3001	4000	13	0.21	46,100	1.10
4001	5000	17	0.28	81,500	1.94
5001	10000	15	0.24	1,28,800	3.07
Above 10001		34	0.56	29,62,200	70.53
<b>TOTAL</b>		<b>6,158</b>	<b>100.00</b>	<b>42,00,000</b>	<b>100.00</b>

n) **Categories of Shareholders as on 31<sup>st</sup> March, 2024**



Category	No. of Shares Held	% Shareholding
Corporate Bodies(Promoter Companies)	12,92,100	30.7643
Other Bodies Corporate	1,60,200	3.8143
Directors	3,54,400	8.4381
Hindu Undivided Family	8,500	0.2024
Mutual Fund	4,800	0.1143
Non-Nationalized Banks	300	0.0071
Non-Resident Indians	2,32,800	5.5429
Non Resident (Non Repatriable)	3,100	0.0738
Office Bearers	11,700	0.2786
Clearing member	2,900	0.069
Persons Acting in Concert	1,500	0.0357
Public	13,10,600	31.2048
Promoters (excluding directors and their relatives)	3,25,100	7.7405
Relative of Directors	4,94,900	11.7833
<b>TOTAL</b>	<b>42,00,000</b>	<b>100.00</b>

**o) Dematerialization of securities and liquidity:**

**Names of depositories for dematerialization of equity shares are as under:**

Name of depository	ISIN No.
National Securities Depository Ltd.	INE124M01015
Central Depository Services (India) Ltd.	INE124M01015

As on 31<sup>st</sup> March, 2024, **70.51%** of the Company's total shares representing **29,61,500** shares were held in de-materialized form and the balance **29.49%** representing **12,38,500** shares in paper form. The details are given below:

Type	No. of Shares Held	% Shareholding
<b><u>De-materialized shares</u></b>		
<b>With N.S.D.L.</b>	15,75,545	37.51
<b>With C.D.S.L.</b>	13,85,955	33.00
<b>Total Demat shares</b>	29,61,500	70.51
<b>Physical shares</b>	12,38,500	29.49
<b>TOTAL</b>	<b>42,00,000</b>	<b>100.00%</b>

**p) The Company does not have any outstanding Global Depository Receipts (GDR's) or American Depository Receipts (ADR's) or warrants or any convertible instruments as on date.**

**q) Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have any Commodity Price Risk or Foreign Exchange Risk and hedging activities as the same are not applicable to the Company.

**r) Plant locations:**

The Company's Plant are located as under.

- **Spinning Unit:** S. F. Mo. 324/1, Karungal Village, Anapatti Post, Vedasandur Taluk, Dist. Dindigul – 624 620

- **Weaving Unit:** Plot No. 60-B, Parvati Industrial Area, Kondigre Road, Near Gangajal Water Tank, Yadrav, Ichalkaranji
- **Processing Unit:** D-8, MIDC, PHASE II, Manpada Road, Dombivli (E), Dist. Thane

s) **Address for correspondence:**

Shareholders of the company can send correspondence at company's share & Transfer Agent's Office or the Registered office of the company situated at following address:

D-8, MIDC, Phase II,  
Manpada Road, Dombivli (East),  
Dist. Thane 421201

- t) **Credit ratings need not be obtained by the entity during the relevant financial year as the financials do not consists of any debt instruments or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.**

10. **Other Disclosures**

a. **Materially significant related party transactions:**

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 have been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is available on the Company's website at [www.sunilgroup.com](http://www.sunilgroup.com).

b. **Details of non-compliance:**

The Company has complied with the necessary provisions of Listing Obligation and Disclosure Requirements, Regulations 2015 apart from Regulation 31(2) towards compulsory Demat holding of Promoters. The Promoters being distant relatives of each other are scattered all over and hence it is very difficult to convert each promoter's physical holding into Demat, however the company is in the process for conversion of the same as per Regulations 31 (2) of LODR, 2015.

c. **Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Chairman:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Regulation 27(2) of Security and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015., the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Company also affirms that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at [www.sunilgroup.com](http://www.sunilgroup.com)

d. **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with the mandatory requirements of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further the Company has also complied with the corporate governance requirements specified in Regulations 17 to 27 and the mandatory requirements under Schedule II and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company to the extent possible has adopted certain non-mandatory requirements as part of good corporate governance practice.

**e. Web link where policy of determining 'material' Subsidiaries is disclosed:**

The Company does not have any subsidiary hence formation of material subsidiary policy is not applicable to the Company.

**f. Web link where policy on dealing with Related Party Transactions:**

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS 18) and AOC-2 has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at [www.sunilgroup.com](http://www.sunilgroup.com).

**g. Disclosure of commodity price risks and commodity hedging activities:**

Disclosures are not required since the Company does not have a Commodity Price Risk or foreign exchange risk and hedging activities as the same are not applicable Company.

**h. Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A).**

There hasn't been any utilisation of funds through Preferential Allotment or Qualified Institutional Placement as per Regulation 32 (7A) in the Financial Year.

**i. Certificate from a Company Secretary in practice that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate that none of the Directors on the Board of the Company have been disqualified or debarred from continuing or being appointed as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority has been obtained for HSPN & Associates LLP, Practicing Company Secretaries and is attached to this report.

**j. The board had accepted all the recommendations obtained by the committees of the board which was otherwise mandatorily required to be obtained in the relevant Financial Year.**

**k. Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Audit Fees paid to Statutory Auditor: Rs. 5,45,200/-.

Other Fees paid- Nil

**l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

i. Number of complaints filed during the Financial Year: NIL

- ii. Number of complaints disposed of during the Financial Year: NIL
- iii. Number of complaints pending as on end of the Financial Year: NIL

**m. Dates of Book Closure:**

From Sunday, 22<sup>nd</sup> September, 2024 to Saturday, 28<sup>th</sup> September, 2024 (both days inclusive).

**n. Debentures:**

There are no outstanding debentures as the company has not issued Debentures at any point of time.

**o. E-Voting Facility to Members:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 48<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

**11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:**

The Company has complied with the necessary provisions of Listing Obligation and Disclosure Requirements, Regulations 2015 apart from Regulation 31(2) towards not holding promoters holding in Demat. The Promoters being distant relatives of each other are scattered all over and hence it is very difficult to convert each promoter's physical holding into Demat, however the company is in the process for conversion of the same as per regulations 31 (2) of LODR, 2015.

**12. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:**

- **The Board:** A Executive chairperson maintains the office of Chairperson as the Company, as he is the founder promoter of the Company.
- **Shareholder Rights:** A half-yearly status of financial performance in the form of Financial Results is available at the website of the Company, the same can be downloaded from company's website. Further all the Significant transactions that have taken place during the financial year are disclosed as per the requirement of SEBI LODR regulations.
- **Modified opinion(s) in Audit Report:** The listed entity's financial statements have an unmodified audit opinion.
- **Reporting of Internal Auditor:** The internal auditor reports directly to the audit committee.
- **Separate Post of Chairman and Chief Executive Officer**  
The Post of Chairman and Chief Executive Officer is held by separate persons.

**13. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.**

The same has been annexed which forms Part of this Report.

**14. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.**

The same has been annexed which forms Part of this Report.

**15. Disclosure with respect to Demat suspense account/ unclaimed suspense account:**

As per the confirmation given by Registrar and Transfer Agent, the Company has nil shares that remains unclaimed by the shareholders of the Company. All shares held in demat and physical form has been duly claimed by the respective shareholders and hence the company is not required to undergo the procedural requirements of Schedule VI of the SEBI (LODR) Regulations, 2015.

- 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; aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: NIL**
- d) **That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable**

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
DIN: 00064774  
Date: 26<sup>th</sup> August, 2024  
Place: Dombivli**

## COMPLIANCE CERTIFICATE BY CFO & CEO

To,  
The Board of Directors,  
**SUNIL INDUSTRIES LIMITED**  
D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E), Dist. Thane 421201

We, Mr. Vinod Lath, Managing Director and Mr. Pradeep Roongta, CFO of the Company as stipulated under Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, do hereby certify for the Financial Year, ending 31<sup>st</sup> March, 2024:

- a) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2024 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with current applicable accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i. Significant changes, if any, in the internal control over financial reporting during the year.
  - ii. Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the Financial Statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**FOR SUNIL INDUSTRIES LIMITED**

Sd/-  
**Mr. Vinod Lath**  
**(MANAGING DIRECTOR)**

**Date: 26<sup>th</sup> August, 2024**  
**Place: Dombivli**

**FOR SUNIL INDUSTRIES LIMITED**

Sd/-  
**Mr. Pradeep Roongta**  
**(CFO)**

**DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT ON BEHALF OF THE BOARD OF DIRECTORS AND SENIOR MANAGMENT**

In terms of the requirements of the Listing Obligation and Disclosure Requirements, Regulations 2015, Code of Conduct as approved by the Board of Directors of the Company I, Mr. Vinod Lath, Managing Director on behalf of the board of directors and senior management of the Company hereby declare that all Board members and senior management personnel affirm compliance with the code on an annual basis for the period 31<sup>st</sup> March, 2024.

**On behalf of the Board  
for Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
DIN: 00064774  
Date: 26<sup>th</sup> August, 2024  
Place: Dombivli**

**CERTIFICATE ON CORPORATE GOVERNANCE FROM PRACTICING COMPANY**  
**SECRETARIES**

To,  
The Shareholders,  
**SUNIL INDUSTRIES LIMITED**  
D-8, MIDC, Phase II,  
Manpada Road, Dombivli (E),  
Dist. Thane

The Corporate Governance Report prepared by SUNIL INDUSTRIES LIMITED (“the Company”), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) with respect to Corporate Governance for the year ended March 31, 2024 pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Limited (Herein after referred to as the “Stock Exchange”).

**Management’s Responsibility:**

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

**Auditor’s Responsibility:**

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2024 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

**Opinion:**

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2023, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**Place:** Mumbai  
**Date:** 26<sup>th</sup> August, 2024  
**ICSI UDIN:** F009068F001045191

**For HSPN & Associates LLP**  
**Company Secretaries**  
Sd/-  
**Piyush A Gohel**  
**Partner**  
**FCS No.: 9068**  
**COP No.: 27451**  
**Peer Review No.: 2507/2022**



## Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUNIL INDUSTRIES LIMITED having CIN L99999MH1976PLC019331 and having registered office at D 8 MIDC PHASE II, MANPADA ROAD DOMBIVLI (EAST) THANE MH 421201 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>DIN</b>	<b>DATE OF APPOINTMENT</b>
1.	VINOD GAJANAND LATH	00064774	02/07/1979
2.	PRADEEP CHATRUPRASAD ROONGTA	00130283	01/11/1999
3.	RAJESH SITARAM TIBREWAL	00130509	22/08/2017
4.	BINDU SHAH	07131459	29/05/2024
5.	SHRUTI RITESH SARAF	07521927	27/05/2016

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

**Place:** Mumbai

**Date:** 26<sup>th</sup> August, 2024

**ICSI UDIN:** F009068F001045268

For **HSPN & Associates LLP**

**Company Secretaries**

Sd/-

**Piyush A Gohel**

**Partner**

**FCS No.: 9068**

**COP No.: 27451**

**Peer Review No.: 2507/2022**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **A) GLOBAL ECONOMIC OVERVIEW:**

Global economic activity is experiencing a broad-based and sharper-than-expected slowdown, with inflation higher than seen in several decades. The cost-of-living crisis, tightening financial conditions in most regions. IMF forecasts global growth to maintained at around 3.2 in 2024.

### **B) INDIAN ECONOMIC OVERVIEW**

India's growth continues to be resilient despite some signs of moderation in growth, says the World Bank in its latest India Development Update, the World Bank India's biannual flagship publication.

The IMF is bullish on India's economic future. It believes India will be a major driver of global growth in the coming years, pointing to its consistent growth exceeding 7% even after the COVID-19 pandemic.

The IMF has raised India's GDP growth projection for 2024-25 by 30 basis points to 6.8% and for 2025-26 to 6.5% in its update to the WEO, citing buoyant domestic demand. However, the fund's estimate is below the 7% growth projection by the government.

### **C) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The global textile industry has been facing exceptionally challenging conditions since the past two years due to the restrictions imposed because of the Covid-19 pandemic. Further, the global supply chain had seen unprecedented levels of pressure and disruption due to logistical impasse. This led to delayed delivery resulting into reduced product shelf life and increased inventory at importer / retailer level which resulted in reduction in export orders / delayed picking of confirmed orders, apart from sharp increase in vessel shipping cost. Further, prodigious liquidity globally led to a proliferation in commodity prices including Cotton, Dyes, Chemicals, Coal, etc.

The textile industry being majorly an unorganized and fragmented sector the entire industry size and figures cannot be estimated. The textiles market in India has grown tremendously over the decade. Indian textile industry is maturing and with urban population evolving, demand for casuals, sports and fashion textiles is picking up. Millenials are very brand conscious and demand for branded wear is on the rise. There is growth in the industry in tier I and II markets and brand awareness is growing significantly.

### **D) OPPORTUNITIES AND THREATS:**

Accelerated reopening of activities have re-opened opportunities for the textile market which were quiet for a long time. Further, China plus one policy by USA and Europe will lead to increase in demand for the Indian Market. With an added advantage of high quality standards and globally renowned accreditations, our Company will be forging ahead with its sustainability vision to build potential so as to grab opportunities coming its way.

The demand for clothing in India and other countries is on the rise. The flow of orders has been progressively increasing for last few years. Your Company is well poised to seize opportunities available in the textile industry on account of its state-of-the-art production facilities, technical expertise, good quality culture and emphasis on product innovation and growth potential.

Market is shifting towards Branded Garment. Your Company has been ahead in making investment in plant and machinery to meet the growth and meet the huge demand creation in the market. We are constantly experimenting products made from innovative yarns and eco-friendly chemicals for manufacturing most comfortable clothing. These technically innovative products are much in demand by international brands. Given the unrelenting spread of the second wave of pandemic and the large-scale impact on the lives of the people, the near-term outlook for the Indian economy is uncertain impacting the growth prospects, the threat of slow demand for few quarters is possible.

**E) OUTLOOK:**

Coming year will be challenging with respect to pricing. Due to constant investment in latest machinery your Company is able to target a vast audience, enhancing product quality, improving delivery schedules and giving superior customer service. Expectations are high, prospects are bright, but capitalizing on the new emerging opportunities will be a challenge for the textile manufacturing Companies.

**F) BUSINESS OUTLOOK:**

India's textile industry, a vital contributor to the economy, underwent significant technological and infrastructural advancements, enhancing productivity and global competitiveness. However, amid global disruptions, the country witnessed a decline in cotton yarn exports in FY24, generating \$1.32 billion compared to \$1.95 billion the previous year. Notably, Bangladesh, India's primary export destination, experienced a sharp 60.42% decrease, reaching \$364.44 million. Similarly, exports to Egypt, Portugal and Peru also saw declines ranging from 3.42% to 26.40% year-on-year. This decline in exports contributed to a decrease in the value of yarn shipments from \$4.47 billion to \$4.23 billion between April 2023 and February 2024.

The next few quarters will be critical for India's economy as the Government and the RBI work at balancing the stress on inflation, currency and fiscal deficit. Consumer confidence is improving and households' optimism in outlook for the year ahead has strengthened with an uptick in sentiments. Business confidence is in optimistic territory and supportive of revival in economic activity.

The Company is optimistic of growth through continued network expansion and innovation. The Business will continue to focus on increasing the premium and fashion quotient of its offerings on the basis of a deep understanding of consumer preferences and delivering products of world-class quality.

**G) SEGMENT-WISE PERFORMANCE OR PRODUCT WISE PERFORMANCE:**

The company has only one segment i.e., Manufacturing of Textiles, therefore the requirement of segment-wise reporting is not applicable to the Company.

**H) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company maintains adequate and effective Internal Control Systems commensurate with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respect to permit preparation of financial statements in conformity with established accounting principles along with the assets of the Company being adequately safeguarded against significant loss or misuse. An independent Internal Audit function is an important element of Company's Internal Control System. This is supplemented through an extensive internal audit program and periodic review by the management and the Audit Committee of Board.

**I) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year ended 31<sup>st</sup> March, 2024, your Company reported total Income of Rs. 18020.58 Lakhs which in comparison to previous year's figures have decreased by approximately 21.12%. The Net Profit after tax and OCI is Rs. 225.16 Lakhs as compared to Rs. 338.29 Lakhs in previous year which is reduced by approximately 33.45%. The overall profit carried forward to the Balance Sheet is Rs. 2210.55 Lakhs.

**J) CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include finished goods prices, raw materials costs and availability, global and domestic demand supply conditions, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward-looking statements herein, which may undergo changes in future based on subsequent developments, information, or events.

**K) HUMAN RESOURCE POLICIES:**

Your company considers its human resources as its most valuable assets, among all other assets of the Company. It has been the policy of the company to actuate the talent by providing opportunities to develop themselves within the organization. The company continued to have maintained very cordial & harmonious relations with its employees.

**L) RISK'S AND CONCERNS:**

The major challenge that the textile, apparel and hosiery industry faces is of ever-increasing production costs arising out of rising wages, power and other overheads.

Inflation is expected to remain elevated for the foreseeable future, driven by war-induced commodity price increases and broadening price pressures. In addition, the anticipated increase in interest rates by Central Banks in the coming year are also expected to lower growth and exert pressure on economies particularly those in emerging markets.

In these circumstances, the ability to successfully navigate cost pressures would have a significant bearing on the overall performance of your Company. Diminishing purchasing power and demand due to the economic circumstances could result in fundamental shifts in consumer behaviours and adversely impact the market for textiles and apparel.

Deterioration in supply chain and demand due to pandemic such as COVID-19 have emerged as a significant business risk. Strong supply chain system with robust digitization and interlinking of various divisions is the need of the hour to tackle similar situations in future.

**M) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:**

<b>Name of Metric</b>	<b>FY 2024</b>	<b>FY 2023</b>	<b>% Change Increase (decrease)</b>	<b>Explanation in case change is 25 % or more, as compared to the previous</b>
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				year
Trade Receivables Turnover Ratio	5.64	4.31	30.69% %	Increase in ratio due to Increase in turnover
Inventory Turnover	7.79	6.85	13.75%	Not Applicable
Current Ratio	1.17	1.23	-4.51%	Not Applicable
Debt - Equity Ratio	1.48	1.09	35.67%	Increased in ratio on account of increase in borrowing
Net Profit Ratio	0.01	0.02	-14.32%	Not Applicable
Return on Net Worth	0.08	0.07	11.22%	Earning from operation has been increased for the period.

**Accounting Treatment:**

The Company is following India accounting standards (IND – AS) for financial year 2023-2024 as notified by the Central Government of India under the Companies (Accounting Standards) Rules under section 133 of the Companies Act, 2013 and as per guideline of the institute of chartered accountants of India in the preparation of financial statements and has not adopted a treatment different from that prescribed in any accounting standard.

**On behalf of the Board  
For Sunil Industries Limited**

**Sd/-  
Vinod Lath  
Managing Director & Chairman  
Date: 26<sup>th</sup> August, 2024  
DIN: 00064774  
Place: Dombivli**

## INDEPENDENT AUDITORS' REPORT

**To The Members of  
Sunil Industries Limited**

### **Report on the Audit of the IND AS Standalone Financial Statements**

#### **Opinion**

1. We have audited the accompanying Ind AS standalone financial statements of **Sunil Industries Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (**hereinafter referred to as "the standalone financial statements"**)
2. In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS standalone 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 accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31<sup>st</sup> March 2024, and its Profit including comprehensive income, its cash flows and the change in equity for the year ended on that.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

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

#### **Information other than the Standalone Ind AS Financial Statements and auditor's report thereon**

5. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.
6. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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**

8. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements, that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding the assets of the Company; for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.
9. In preparing the 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.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditors Responsibility for the Audit of the Standalone Ind AS Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
14. 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.
15. 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.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

17. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. 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 Standalone Ind AS Balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the 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, read with relevant rule issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 with reference to these standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
19. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
20. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2024 on its financial positions in its standalone Ind AS financial statements (**Refer Note: 55**);
  - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources

or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 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, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

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 March 31, 2024.

**For V.K. Beswal & Associates**

Chartered Accountants

Firm Registration No. 101083W

**CA Kunal V Beswal**

Partner

M.NO. 131054

UDIN No. **24131054BKCCOY3094**

Place: Mumbai

Dated: 27.05.2024

## **Annexure A to the Ind AS Standalone Independent Auditor's Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS standalone financial statements for the year ended 31st March 2024, we report the following:

- i. In respect of Property, Plant & Equipment:
    - a) **A)** The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment
    - B)** The Company has maintained proper records showing full particulars of intangible assets.
  - b)** As explained to us, physical verification of these Property, Plant and Equipment is being conducted in a phased programme by the management designed to cover all the assets over a period of three to four years, which in our opinion is reasonable having regard to the size of the Company and the nature of assets. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - c)** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds in respect of all immovable properties (Other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) are held in the name of the company.
  - d)** The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e)** No proceedings have been initiated during the year or are pending against the Company as at March 31<sup>st</sup>, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of Inventories:
    - a)** As explained to us 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, and discrepancies (which is less than 10% in the aggregate for each class of inventory) noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
    - b)** The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets; according to the information and explanations given to us and on the basis of records examined by us, the quarterly returns or statements comprising (stock statements, book debt statements, statements on ageing analysis of the debtors/ other receivables, and other stipulated financial information) filed by the Company with such bank are as per the unaudited books of account of the Company of the respective quarters. (Refer Note 54 to the standalone financial statements)

**(Amount in Rupees : Lakhs)**

Name of the Bank	Quarter	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Inventory	993.26	990.99	2.27
		Debtors	6186.42	6189.54	-3.12
		Creditors	1695.98	842.28	853.70
	Qtr 2	Inventory	2120.33	2108.25	12.08
		Debtors	7352.56	7355.63	-3.07
		Creditors	3243.18	2330.40	912.78
	Qtr 3	Inventory	1496.82	1496.81	0.01
		Debtors	7726.22	7731.09	-4.87
		Creditors	2492.87	1690.24	802.63
	Qtr 4	Inventory	2968.87	2968.87	0.00
		Debtors	3359.94	3361.76	-1.82
		Creditors	2005.41	950.97	1054.44

- iii. a) The company has made investment and granted unsecured loans to employees & other parties during or outstanding in the year, in respect of which:
- A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans or advances and guarantees or security to subsidiaries, joint ventures and associates.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries, joint ventures and associates as below:

Particulars	Loans (Amount in Lakhs.)
Aggregate amount given during the year - Others	6
Balance outstanding as at balance sheet date - Others	10

- b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are no prejudicial to the Company's interest.

The investments made and outstanding at the year-end are, prima facie, not prejudicial to the Company's interest.

- c) In respect of the aforesaid loans, the loans to employees are interest free and in case of other parties the loans along with interest are repayable on demand, and the parties are repaying the principal amounts, as demanded, and are also regular in payment of interest as applicable.

- d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.
- f) The Company has granted Loans without specifying any terms or period of repayment and details of which are given below:

Particulars	Others (Amount in Lakhs)
Aggregate of loans: - Agreement does not specify any terms or period of repayment	5
Percentage of loans to the total loans	100%

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made. Hence reporting under clause (v) of the order is not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits, hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory Dues:
- a) According to the records of the Company and the information and explanations given to us, the Company has generally been regularly depositing with the appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2024 outstanding for a period of more than six months from the date they become payable.
- b) According to the information and explanations given to us, the dues in respect of Income Tax, Goods and Service Tax (GST), Sales Tax, Duty of Customs, Excise Duty, Service Tax, Cess and other statutory dues that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below: -

Name of the Statue / Nature of Dues	Amount in (Lakhs)	Forum where disputes pending
Central Excise duty (Payment made under protest Rs. 20 Lakhs)	141	Commissioner of Central Excise-Thane-I

Custom duty	336	Appellate Tribunal(CESTAT)
TNVAT (inclusive of penalty of Rs.20.82 Lakhs)	28	The Appellate Deputy Commissioner (CT)

- 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.**
- a)** Based on our audit procedures and according to the information and explanations given by the management, 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)** In our opinion, term loans availed and outstanding in the books of the Company, were applied by the Company for the purposes for which the loans were obtained.
- d)** According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e)** According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f)** According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x.**
- a)** According to information and explanations given to us, the company has not raised moneys during the year by way of initial public offer or further public offer (including debt instruments), Accordingly, provisions of the clause 3(x)(a) of the Order is not applicable to the Company.
- b)** According to information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year by way requirements of section 42 and section 62 of the Companies Act, 2013. Accordingly, provisions of the clause 3(x)(b) of the Order is not applicable to the Company.
- xi.**
- a)** During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b)** According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c) According to information and explanations given to us, the company have not received any whistle blower complaints during the year (and upto the date of this report), neither any reported to auditor for consideration.
- xii.** In our opinion and according to Information and explanations provided to us, the Company is not a Nidhi Company. Accordingly, provisions of the clause 3(xii) of the Order is not applicable to the Company.
- xiii.** In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.** a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports of the Company for the period under audit.
- xv.** Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with Directors or persons connected with him under section 192 of the Companies Act. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- xvi.** In our opinion, and to the best of our information and according to the explanations provided by the management, we are of the opinion that the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3 (xvi) (a) to (d) of the Order is not applicable to the Company.
- xvii.** The Company has not incurred cash losses during the financial year covered by our audit and 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, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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 provision for contribution towards Corporate Social Responsibility (CSR) u/s 135, of the Companies Act are not applicable to the company, hence the provisions of clause 3 (xx) (a) to (b) of the Order is not applicable to the Company.

**For V.K. Beswal & Associates**

Chartered Accountants

Firm Registration No. 101083W

**CA Kunal V Beswal**

Partner

M.NO. 131054

UDIN No. **24131054BKCCOY3094**

Place: Mumbai

Dated: 27.05.2024



## **Annexure B to the Standalone IND AS Independent Auditor's Report**

### **Independent Auditor's report on the Internal Financial Controls with reference to financial statements and its operative effectiveness under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the standalone Ind AS financial statements of **Sunil Industries Limited** ("the Company") as of and for the year ended 31<sup>st</sup> March, 2024, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

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

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements, that were operating effectively for ensuring the orderly and efficient conduct of the company's 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 Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 financial statements, whether due to fraud or error.
5. 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 IFCoFR.

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

6. A company's IFCoFR 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 including the Accounting Standards. A company's IFCoFR 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 including Accounting Standards, 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**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, to the best of our information and according to the explanations 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 V.K. Beswal & Associates**

Chartered Accountants

Firm Registration No. 101083W

**Sd/-**

**CA Kunal V Beswal**

Partner

M.NO. 131054

UDIN No. **24131054BKCCOY3094**

Place: Mumbai

Dated: 27.05.2024

**Sunil Industries Limited**

Balance Sheet as at 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

PARTICULARS	Note Nos.	As at 31st March, 2024	As at 31st March, 2023
<b>I ASSETS</b>			
<b>Non-Current Assets</b>			
a) Property, Plant & Equipment	2	3217.89	3082.02
b) Capital Work-in-Progress	3	-	-
c) Other Intangible Assets	2	-	-
d) Financial Assets			
(i) Investments	4	16.00	16.00
(ii) Other Financial Assets	5	83.18	42.51
e) Other Non-Current Assets	6	102.99	102.93
		<b>3420.06</b>	<b>3243.46</b>
<b>Current Assets</b>			
a) Inventories	7	2968.87	2784.74
b) Financial Assets			
(i) Trade Receivables	8	3358.15	3388.24
(ii) Cash and Cash Equivalents	9	411.42	1015.10
(iii) Bank balances other than (ii) above	10	136.17	132.02
(iv) Loans	11	5.80	6.53
(v) Other Current Financial Assets	12	64.72	16.63
c) Current Tax Assets	13	-	39.37
d) Other Current Assets	14	1779.57	2071.46
		<b>8724.70</b>	<b>9454.08</b>
<b>TOTAL</b>		<b>12144.77</b>	<b>12697.54</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Shareholder's Fund</b>			
a) Equity Share Capital	15	419.84	419.84
b) Other Equity	16	4111.93	3886.77
		<b>4531.77</b>	<b>4306.61</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
a) Financial Liabilities			
(i) Non-Current Borrowings	17	182.97	304.21
b) Deferred Tax Liabilities (Net)	18	235.80	203.46
c) Provisions	19	11.11	1.61
		<b>429.88</b>	<b>509.28</b>
<b>Current Liabilities</b>			
a) Financial Liabilities			
(i) Current Borrowings	20	5222.43	6085.20
(ii) Trade Payables	21		
Total Outstanding Dues of Micro Enterprises and Small Enterprises		99.91	1.92
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises		1311.59	1173.78
(iii) Other Current Financial Liabilities	22	309.78	267.02
b) Other Current Liabilities	23	232.63	351.08
c) Current Tax Liabilities	24	3.99	0.00
d) Provisions	25	2.79	2.65
		<b>7183.12</b>	<b>7881.66</b>
<b>TOTAL</b>		<b>12144.77</b>	<b>12697.54</b>
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1		
The accompanying notes are an integral part of the standalone financial statements	~2-65		

As per our report of even date  
For **V.K.Beswal & Associates**  
Chartered Accountants  
Firm Reg No.:101083W

Sd/-  
**CA Kunal V Beswal**  
Partner  
Membership Number- 131054

Place : Mumbai  
Date : 27-05-2024

For and on behalf of Board of Directors  
**Sunil Industries Limited**

Sd/-  
**Vinod Lath**  
(Chairman & Managing Director)  
(DIN:64774)

Sd/-  
**Pradeep Roongta**  
(CFO & WTD)  
(DIN:130283)

Sd/-  
**Sourabh Sahu**  
Company Secretary

**Sunil Industries Limited**

Statement of Profit and Loss for the year ended 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

<b>PARTICULARS</b>	<b>Note Nos.</b>	<b>2023-2024</b>	<b>2022-2023</b>
<b>INCOME :</b>			
Revenue from Operations	26	18020.58	22739.58
Other Income	27	18.96	37.71
<b>Total Revenue</b>		<b>18039.55</b>	<b>22777.29</b>
<b>EXPENDITURE :</b>			
Cost of Materials Consumed	28	11466.94	17597.81
Purchases of Stock in Trade	29	93.92	25.75
Changes in Inventories of Finished Goods, Work-in-Progress and Waste	30	85.49	-1180.95
Employee Benefits Expenses	31	386.33	363.39
Finance Costs	32	564.26	477.66
Depreciation and Amortization Expenses	33	241.04	209.82
Other Expenses	34	4827.03	4789.46
<b>Total Expenditures</b>		<b>17665.02</b>	<b>22282.93</b>
<b>Profit before extraordinary items and tax</b>		<b>374.53</b>	<b>494.37</b>
<b>Extraordinary Items :</b>			
Prior year adjustments		-	-
<b>Profit before tax</b>		<b>374.53</b>	<b>494.37</b>
<b>(Add)/Less :-</b>			
<b>Tax expenses :</b>			
Current tax expense for current year		116.00	98.00
Current tax expense relating to prior years		2.61	-6.86
Net current tax expense		<b>118.61</b>	<b>91.14</b>
Deferred tax	18	32.34	59.25
<b>Profit (Loss) for the period from continuing operations</b>		<b>223.58</b>	<b>343.98</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit/(Loss) from discontinuing operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>223.58</b>	<b>343.98</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains/ (losses) on defined benefit obligations		1.58	-5.69
Tax Effect on above			
<b>Total Other Comprehensive Income</b>		<b>225.16</b>	<b>338.29</b>
Earnings per equity share: Basic & Diluted (in Rs.)	39	5.36	8.05
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1		
The accompanying notes are an integral part of the standalone financial statements	2-65		

As per our report of even date  
For **V.K.Beswal & Associates**  
Chartered Accountants  
Firm Reg No.:101083W

Sd/-  
**CA Kunal V Beswal**  
Partner  
Membership Number- 131054

Place : Mumbai  
Date : 27-05-2024

For and on behalf of Board of Directors  
**Sunil Industries Limited**  
Sd/-  
**Vinod Lath**  
(Chairman & Managing Director)  
(DIN:64774)  
Sd/-  
**Pradeep Roongta**  
(CFO & WTD)  
(DIN:130283)  
**Sourabh Sahu**  
Company Secretary

## Sunil Industries Limited

Cash Flow Statement For the year ended 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

PARTICULARS	2023-2024	2022-2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit / (Loss) before Tax and after Extraordinary items	374.53	494.37
<b>Adjustment For :</b>		
Depreciation	241.04	209.82
Interest & Finance charges	564.26	477.66
Interest received	-18.71	-35.32
ECL on Receivables	142.16	4.92
Loss/(Profit) on sale of assets	6.89	-1.42
Profit (-) / Loss (+) on sale of Shares	-	-
<b>Operative Profit before Working Capital Changes</b>	<b>1310.17</b>	<b>1150.02</b>
<b>Adjustment For :</b>		
Increase/ (Decrease) in Trade Payables & Provisions	247.02	-705.67
Increase/ (Decrease) in Other Current Liabilities	-75.69	423.84
Increase/ (Decrease) in Trade Receivable	-112.07	1284.89
Increase/ (Decrease) in Inventories	-184.13	-1349.57
Increase / (Decrease) in Other Current Assets	203.80	-864.20
<b>Cash Generation from Operations</b>	<b>1389.09</b>	<b>-60.68</b>
Direct Taxes	-75.25	-161.16
<b>Net Cash Flow from operating activities</b>	<b>1313.84</b>	<b>-221.84</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale / (Purchase) of Property, Plant & Equipments (net)	-383.80	-655.38
Sale / (Purchase) of Investment (net)	-	-13.70
Proceeds from/ (Investment in) fixed deposits (net)	-4.15	-67.02
Interest Received	18.71	35.32
<b>Net Cash used in investing activities</b>	<b>-369.24</b>	<b>-700.79</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from/ (Repayment of) Non-Current Borrowings (net)	-984.02	2049.85
Interest paid	-564.26	-477.66
<b>Net Cash used in financing activities</b>	<b>-1548.28</b>	<b>1572.20</b>
<b>D. Net Change In Cash And Cash Equilants (A+B+C)</b>	<b>-603.67</b>	<b>649.57</b>
Cash and Cash Equivalents (Opening)	1015.10	365.53
Cash and Cash Equivalents (Closing)	<b>411.42</b>	<b>1015.10</b>

Notes : The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flow.

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

As per our report of even date  
**For V.K.Beswal & Associates**  
Chartered Accountants  
Firm Reg No.:101083W

Sd/-  
**CA Kunal V Beswal**  
Partner  
Membership Number- 131054

Place :Mumbai  
Date : 27-05-2024

For and on behalf of Board of Directors  
**Sunil Industries Limited**

Sd/-  
**Vinod Lath**  
(Chairman & Managing Director)  
(DIN:64774)  
Sd/-  
**Pradeep Roongta**  
(CFO & WTD)  
(DIN:130283)

Sd/-  
**Sourabh Sahu**  
Company Secretary

## Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

### Statement of Changes in Equity -

#### A. Equity share capital

	Notes	Number	INR
Balance as at 1 April 2022		42,00,000	420.00
Less: Calls in Arrears		-	0.16
		<u>42,00,000</u>	<u>419.84</u>
Changes in equity share capital during the year		-	-
<b>Balance as at 31 March 2023</b>		<b><u>42,00,000</u></b>	<b><u>419.84</u></b>
	15		
Balance as at 1 April 2023		42,00,000	420.00
Less: Calls in Arrears		-	0.16
		<u>42,00,000</u>	<u>419.84</u>
Changes in equity share capital during the year		-	-
<b>Balance as at 31 March 2024</b>		<b><u>42,00,000</u></b>	<b><u>419.84</u></b>

#### B. Other equity

	Notes	Reserves and surplus			Total other Equity
		General Reserves	Securities premium	Retained earnings	
Balance as at 1 April 2022		1408.58	492.80	1647.09	3548.47
Dividends		-	-	-	-
Issue of share capital		-	-	-	-
Profit for the year		-	-	343.98	343.98
Other comprehensive income		-	-	-5.69	-5.69
<b>Balance as at 31 March 2023</b>		<b><u>1408.58</u></b>	<b><u>492.80</u></b>	<b><u>1985.39</u></b>	<b><u>3886.77</u></b>
	16				
Balance as at 1 April 2023		1408.58	492.80	1985.39	3886.77
Dividends		-	-	-	-
Issue of share capital		-	-	-	-
Profit for the year		-	-	223.58	223.58
Other comprehensive income		-	-	1.58	1.58
<b>Balance as at 31 March 2024</b>		<b><u>1408.58</u></b>	<b><u>492.80</u></b>	<b><u>2210.55</u></b>	<b><u>4111.93</u></b>

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

As per our report of even date  
**For V.K.Beswal & Associates**  
Chartered Accountants  
Firm Reg No.:101083W

Sd/-  
**CA Kunal V Beswal**  
Partner  
Membership Number- 131054

Place : Mumbai  
Date : 27-05-2024

For and on behalf of Board of Directors  
**Sunil Industries Limited**  
Sd/-  
**Vinod Lath**  
(Chairman & Managing Director)  
(DIN:64774)  
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(CFO & WTD)  
(DIN:130283)  
Sd/-  
**Sourabh Sahu**  
Company Secretary

## Sunil Industries Limited

CIN : L99999MH1976PLC019331

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

(Currency: Amount in Lakhs)

### 1 SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2024

#### 1 Company Overview

Sunil Industries Limited ("The Company") is an existing limited company incorporated on 19/11/1976 under the provisions of the Indian Companies Act, 1956 and deemed to exist within the purview of the Companies Act, 2013, having its registered office at D 8, MIDC Phase II, Manpada Road, Dombivli-East, Thane-421201, Maharashtra. The equity shares of the Company are listed on BSE Limited ("BSE"). The financial statements are presented in Indian Rupee (₹).

#### 2 Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### (A) Basis Of Preparation Of Financial Statement

##### i) Compliance with Ind AS

The financial statements Complies in all material aspects with Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the "Act") and other relevant provisions of the Act and other accounting principles generally accepted in India.

These financial statements and notes have been presented in Indian Rupees (INR), which is also the functional currency. All the amounts have been rounded off to the nearest lakhs (upto two decimals) as per requirement of Schedule III, unless otherwise indicated.

##### ii) Historical cost convention

The Company follows the mercantile system of accounting and recognizes income and expenditure on an accrual basis. The financial statements are prepared under the historical cost convention, except for the following :

- Certain financial assets and liabilities (Including Derivative Instruments) that are measured at fair value;
- Defined benefit plans where plan assets are measured at fair value.

##### iii) Current and Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle (Twelve Months) and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

#### (B) Use of estimates and judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Continuous evaluation is done on the estimation and judgments based on historical experience and various other assumptions and factors, including expectations of future events that are believed to be reasonable under existing circumstances. Difference between actual results and estimate related to accounting estimates are recognised prospectively.

The said estimates are based on facts and events, that exist as at reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

#### (C) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### (I) Financial Assets

##### i. Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

- For assets measured at fair value, gains and losses will either be recorded in Profit and Loss or Other comprehensive income.
- For investments in debt instruments, this will depend on the business model in which the investment is held.
- For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

##### ii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset and in the case of a financial asset not at fair value then through Profit and Loss. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in Profit and Loss.

##### (a) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Profit and Loss. A gain or loss on a debt investment that is subsequently measured at fair value through Profit and Loss and is not part of a hedging relationship is recognised in Profit and Loss and presented net in the statement of Profit and Loss within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

**(b) Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has selected to present fair value gains and losses on equity investments in other comprehensive income and there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through Profit and Loss are recognised in other income or other expenses, as applicable in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iii) Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime credit losses (ECL) to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**(iv) Derecognition of financial assets**

A financial asset is derecognised only when -

(a) The Company has transferred the rights to receive cash flows from the financial asset or

(b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**(II) Financial Liabilities**

**(i) Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liability not at fair value through Profit and Loss), that are directly attributable to the issue of financial liability. After initial recognition, financial liabilities are measured at amortised cost using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash outflow (including all fees paid, transaction cost, 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. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit or loss.

**(ii) Derecognition**

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 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of Profit and Loss.

**(D) Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortization, where appropriate.

**(E) Segment Report**

- (i) The company identifies primary segment based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.
- (ii) The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**(F) Inventories Valuation**

- (i) Raw materials (excluding Dyes and Chemicals), Components, Stores and Spares, Packing Materials are valued at lower of cost and net realisable value. Cost is determined on a weighted average cost basis.
- (ii) Cost of Dyes and Chemicals included in the cost of Raw Material are determined on first-in-first-out (FIFO) basis.
- (iii) Work-in-Progress and Finished Goods are valued at lower of cost and net realisable value. The cost are determined on estimated cost basis and valued on a weighted average basis.
- (iv) Traded goods are valued at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- (v) Scrap is valued at net realisable value.
- (vi) Due allowances are made in respect of slow moving, non-moving and obsolete inventories based on estimate made by the Management.
- (vii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(G) Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits with banks, deposit held at call with financial institutions, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes outstanding bank overdraft shown within current liabilities in statement of financial balance sheet and which are considered as integral part of company's cash management policy.



**(H) Income tax and Deferred tax**

The Income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the Profit and Loss except to the extent it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or other comprehensive income respectively.

**(i) Current income tax**

Current tax charge is based on taxable profit for the year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(ii) Deferred tax**

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when, (a) the Company has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

**(I) Property, plant and equipment**

- (i) Freehold land is carried at historical cost including expenditure that is directly attributable to the acquisition of the land.
- (ii) All other items of property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items.
- (iii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.
- (iv) Cost of Capital Work in Progress ('CWIP') comprises amount paid towards acquisition of property, plant and equipment outstanding as of each balance sheet date and construction expenditures, other expenditures necessary for the purpose of preparing the CWIP for its intended use and borrowing cost incurred before the qualifying asset is ready for intended use. CWIP is not depreciated until such time as the relevant asset is completed and ready for its intended use.
- (v) Depreciation methods, estimated useful lives and residual value:-
  - (a) Fixed assets are stated at cost less accumulated depreciation.
  - (b) Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which is as prescribed under Schedule II to the Companies Act, 2013. The depreciation charge for each period is recognised in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset. The useful life, residual value and the depreciation method are reviewed atleast at each financial year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.
  - (c) The estimated useful lives are as follows:

Leasehold Land	99 years
Factory Building	30 years
Plant & machinery	08 years
Vehicles	10 years
Computer	03 years
Furniture	10 years
Office Equipment	05 years
- (vi) Tangible assets which are not ready for their intended use on reporting date are carried as capital work-in-progress.
- (vii) The residual values are not more than 5% of the original cost of the asset  
An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.  
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other expenses or other income as applicable.

**(J) Investment Property**

Property that is held for long-term rental yields or for capital appreciation or both and which is not occupied by the Company, is classified by Investing property. Investment property is measured at cost including related transaction cost and where applicable borrowing cost. Investment properties are depreciated at the same rate applicable for class of asset under Property, Plant and Equipment.

**(K) Intangible assets**

- (i) An intangible asset shall be recognised if, and only if: (a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and (b) the cost of the asset can be measured reliably.
- (ii) Computer software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation / system integration services. The costs are capitalised in the year in which the relevant software is implemented / ready for use. The same is amortised over a period of 5 years on straight-line method.

**(L) Leases****(i) As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**(ii) As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**(M) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade discount, rebates. The Company recognises revenue as under :

Effective 01 April, 2018, the Company has adopted Indian Accounting Standard 115 (IND AS 115) - "Revenue from contracts with customers" using the cumulative catch-up transition method applied to the contract that was not completed as on the transaction date 01st April, 2018. Accordingly the comparative amounts of revenue and the corresponding contract assets / liabilities have not been retrospectively adjusted. The effect on adoption of IND-AS 115 was insignificant.

**(I) Sales**

The Company recognizes revenue from sale of goods & services when:

- (a) The significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and with regard to services, when services are rendered.
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with the ownership nor effective control over the goods sold.
- (c) The amount of revenue can be reliably measured.
- (d) It is probable that future economic benefits associated with the transaction will flow to the Company
- (e) The cost incurred or to be incurred in respect of the transaction can be measured reliably.
- (f) The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**(II) Other income****(i) Interest income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

**(ii) Dividend**

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

**(iii) Export Benefits**

Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

**(N) Employee Benefit****(i) Short-term obligations**

Liabilities for wages and salaries, 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 benefit obligations in the balance sheet.

**(ii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments are recognised in Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur

**(iii) Post-employment obligations**

The Company operates the following post-employment schemes

**(a) Defined benefit gratuity plan:**

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company makes contribution to a trust maintained by Life Insurance Corporation ('LIC') of India.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan. The defined benefit obligation is calculated annually as provided by LIC. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. 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. This cost is included in employee benefit expense in the statement of profit and loss. 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.

**b) Defined Contribution plan:**

Contribution payable to recognised provident fund and superannuation scheme which is defined contribution scheme is charged to Statement of Profit & Loss. The company has no further obligation to the plan beyond its contribution.

**(O) Foreign currency translation****(i) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. All the foreign exchange gains and losses are presented in the statement of Profit and Loss on a net basis within other expenses or other income as applicable.

**(P) Borrowing Cost**

(i) 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 and Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(ii) Borrowings are classified as current financial liabilities unless the group 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.

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

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company; and
- 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 adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**(R) Impairment of Assets**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(S) Provisions, contingent liabilities and contingent assets****(i) Provisions:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

**(ii) Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

**(iii) Contingent Assets:**

Contingent Assets are disclosed, where an inflow of economic benefits is probable.

**(T) Investments**

On transition to Ind AS, equity investments are measured at fair value, with value changes recognised in Other Comprehensive Income, except for those mutual fund for which the Company has elected to present the fair value changes in the Statement of Profit and Loss.

**(U) Trade receivables**

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method, less provision for expected credit loss.

**(V) 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. Trade and other payables are recognised, initially at fair value, and subsequently measured at amortised cost using effective interest rate method.

**(W) Operating Cycle**

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

**(X) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Rupees Lakhs (upto two decimals), unless otherwise stated as per the requirement of Schedule III (Division II).

## Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

### 2 Property, Plant and Equipment

Details of the property, plant and equipment & Intangible Assets their carrying amounts are as follows:

Particulars	Land	Leasehold Lands	Factory Building	Bhivandi Godown	Office Premises	Residential Premises	Bore Well	Lab Equipments	Office Equipment	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	TOTAL	Software
<b>Gross carrying amount</b>															
Balance as at 1 April 2023	42.90	3.79	971.41	1.99	8.30	776.49	1.83	18.57	34.05	2661.27	57.92	164.36	145.52	4888.40	2.91
Additions	-	-	127.23	-	-	-	-	-	0.08	250.57	9.65	4.04	-	391.58	-
Disposals	-	-	-	-	-	-	-	-	-	15.83	-	-	-	15.83	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	42.90	3.79	1098.64	1.99	8.30	776.49	1.83	18.57	34.14	2896.01	67.57	168.40	145.52	5264.15	2.91
<b>Depreciation and impairment</b>															
Balance as at 1 April 2023	-	0.65	378.85	1.74	4.09	107.36	1.75	18.52	19.81	1109.16	49.67	60.07	54.72	1806.38	2.91
Disposal	-	-	-	-	-	-	-	-	-	1.16	-	-	-	1.16	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	0.04	30.88	0.05	0.13	10.45	0.04	0.00	0.97	155.08	4.74	23.20	15.45	241.04	-
Balance as at 31 March 2024	-	0.69	409.74	1.79	4.22	117.81	1.79	18.52	20.78	1263.08	54.41	83.27	70.17	2046.26	2.91
Carrying amount as at 31 March 2024	42.90	3.10	688.90	0.20	4.08	658.67	0.04	0.05	13.36	1632.93	13.16	85.13	75.35	3217.89	-

	Land	Leasehold Lands	Factory Building	Bhivandi Godown	Office Premises	Residential Premises	Bore Well	Lab Equipments	Office Equipment	Plant & Machinery	Computers	Furniture & Fixtures	Vehicles	TOTAL	Software
<b>Gross carrying amount</b>															
Balance as at 1 April 2022	42.90	3.79	905.66	1.99	8.30	660.37	1.83	18.57	26.50	2213.85	54.71	79.30	74.94	4092.72	2.91
Additions	-	-	65.74	-	-	116.12	-	-	7.55	450.98	3.21	85.05	70.58	799.24	-
Disposals	-	-	-	-	-	-	-	-	-	3.56	-	-	-	3.56	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	42.90	3.79	971.41	1.99	8.30	776.49	1.83	18.57	34.05	2661.27	57.92	164.36	145.52	4888.40	2.91
<b>Depreciation and impairment</b>															
Balance as at 1 April 2022	-	0.61	349.54	1.69	3.96	84.90	1.71	18.52	18.33	974.68	46.52	52.10	47.62	1600.19	2.77
Disposal	-	-	-	-	-	-	-	-	-	3.48	-	-	-	3.48	-
Net exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	0.04	29.31	0.05	0.13	22.45	0.04	0.00	1.47	137.96	3.15	7.97	7.10	209.68	0.14
Balance as at 31 March 2023	-	0.65	378.85	1.74	4.09	107.36	1.75	18.52	19.81	1109.16	49.67	60.07	54.72	1806.38	2.91
Carrying amount as at 31 March 2023	42.90	3.14	592.55	0.25	4.21	669.13	0.08	0.05	14.24	1552.11	8.25	104.29	90.80	3082.02	-

#### 2.1 Notes:

The company has received a Capital subsidy which constitute 10% of total basic cost submitted by the company to Department of Amended Technology Upgraded Fund Scheme (TUFs). The company has reduced the cost of the plant & machinery upto the value of subsidy received and accordingly reduces the proportionate cost of depreciation. The amount of subsidy received year wise are produce below:

Financial Year	Amount of Subsidy
2023-2024	19.50
<b>Total</b>	<b>19.50</b>

**Sunil Industries Limited**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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**3 Capital Work-in-Progress**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Furniture & Fixture at Residential Premises	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**3.1 CWIP Ageing / Completion Schedule**
**(a) CWIP Ageing Schedule**

CWIP as at 31 March, 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

CWIP as at 31 March, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

**(b) Completion Schedule**

CWIP as at 31 March, 2024	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

CWIP as at 31 March, 2023	To be Completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

**4 Non-Current Investments**

Particulars	Face Value	Units / Nos.	As at	As at	
			31st March, 2024	31st March, 2023	
<b>Unquoted Equity Instruments, Fully Paid up :</b>					
<b>Investments carried at fair value through profit or loss</b>					
Fairdeal Supplies Limited	10	13,286	1.29	13,286	1.29
Sunil Fabrics Private Limited	10	100	0.01	100	0.01
P G Mercantile Private Limited	10	1,47,000	14.70	10,000	14.70
<b>Total</b>			<b>16.00</b>		<b>16.00</b>
Aggregate amount of quoted investments -At Cost			-		-
Aggregate amount of quoted investments -At Market Value			-		-
Aggregate amount of unquoted investments -At Cost			16.00		16.00
Aggregate amount of unquoted investments -At Market Value			16.00		16.00

**5 Other Financial Assets**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<i>Unsecured, Considered Good</i>		
Security Deposits	83.18	42.51
<b>Total</b>	<b>83.18</b>	<b>42.51</b>

**6 Other Non-Current Assets**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<i>Unsecured, Considered Good</i>		
Security Deposits	7.83	7.77
Capital Advances	95.11	95.11
Other Receivables	0.05	0.05
<b>Total</b>	<b>102.99</b>	<b>102.93</b>

**Sunil Industries Limited**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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**7 Inventories**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<i>(As Certified and valued by the management)</i>		
Raw materials	1128.04	845.05
Work-in-progress	23.87	32.44
Finished goods (other than those acquired for trading)	1693.67	1784.75
Stores, spares and others	87.04	109.06
Packing Materials	18.34	9.45
Fuel, Oil & Gases	2.82	3.05
Waste (Valued at net realisable value)	15.09	0.94
<b>Total</b>	<b>2968.87</b>	<b>2784.74</b>

**Method of Valuation of Stock :**

- Stock of Raw Material & Packing material is valued at lower of Cost determined on FIFO basis or net realisable value.
  - Stores & spares and Fuel, oil & Gases are valued at lower of Cost or net realisable value.
  - Work -in Progress and Finished Goods are valued at cost or net realizable value whichever is lower.
- The cost includes manufacturing expenses and appropriate overheads.

**8 Trade Receivables**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<i>Unsecured, Considered Good</i>		
Others	3360.32	3402.07
Less: Allowances for Expected Credit Loss	2.17	13.83
	3358.15	3388.24
<i>Unsecured, Considered Doubtful</i>		
Others	153.81	-
Less: Allowances for credit impaired	153.81	-
	-	-
<b>Total</b>	<b>3358.15</b>	<b>3388.24</b>

**8.1 Movement in the Allowances for Expected Credit Loss**

Balance at the Beginning of the year	-13.83	-8.90
Provision/(Reversal) for allowances	2.17	13.83
Provision/(Reversal) for allowances for credit impaired	153.81	-
<b>Balance at the end of the year</b>	<b>142.16</b>	<b>4.92</b>

**8.2 For trade receivables outstanding, following ageing schedule shall be given:**
**a) For the Year ended March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	2518.30	798.58	4.50	18.53	20.42	3360.32
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	0.23	0.93	1.02	2.17
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**b) For the Year ended March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	1183.86	1941.63	20.33	73.60	182.65	3402.07
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	1.02	3.68	9.13	13.83
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**9 Cash and cash equivalents**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<b>Balances with banks</b>		
On Current Accounts	403.66	1013.45
On Deposit Accounts with maturity of Less than 3 Months	3.71	-
Cash on hand	4.05	1.65
<b>Total</b>	<b>411.42</b>	<b>1015.10</b>

Mark as Lein against Bank Gurantee

3.71 -

**10 Bank balances other than (9) above**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Bank Deposits with maturity period of more than 3 months but less than 12 months	9.39	-
Bank Deposits having maturity more than 12 Months	126.78	132.02
<b>Total</b>	<b>136.17</b>	<b>132.02</b>

Mark as Lein against Bank Gurantee

136.17 132.02

## 11 Loans

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>Unsecured, Considered Good</i>		
Loan to Others	5.80	6.53
	<u>5.80</u>	<u>6.53</u>

## 12 Other Current Financial Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest Accrued	14.04	7.60
Other Receivables	0.30	0.30
Advance Payment to Employees	5.26	8.73
Claims Receivable	45.12	-
<b>Total</b>	<u><b>64.72</b></u>	<u><b>16.63</b></u>

## 13 Current Tax Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
Advance Taxes (Net of Provisions)	-	39.37
<b>Total</b>	<u><b>-</b></u>	<u><b>39.37</b></u>

## 14 Other Current Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
<i>Unsecured, considered good</i>		
Tender Deposits	55.41	490.52
Other Deposits	883.32	554.09
Advances to Suppliers	154.03	55.78
Advances other than Capital Advances	2.32	0.60
Balance with Government authorities	678.86	961.00
Prepaid Expenses	5.63	9.46
<b>Total</b>	<u><b>1779.57</b></u>	<u><b>2071.46</b></u>
Mark as Lein against Bank Gurantee	20.00	20.00

**Sunil Industries Limited**

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**15 Share Capital**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Numbers	Rs.	Numbers	Rs.
<b>Authorised</b>				
Equity Shares of Rs.10 each	50,00,000	500.00	50,00,000	500.00
	<b>50,00,000</b>	<b>500.00</b>	<b>50,00,000</b>	<b>500.00</b>
<b>Issued, Subscribed &amp; fully Paid up</b>				
Equity Shares of Rs.10 each	42,00,000	420.00	42,00,000	420.00
Less : Calls in Arrears		0.16		0.16
<b>Total</b>	<b>42,00,000</b>	<b>419.84</b>	<b>42,00,000</b>	<b>419.84</b>

**B Reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Numbers	Rs.	Numbers	Rs.
At the beginning of the year	42,00,000	419.84	42,00,000	419.84
Shares Issued during the year	-	-	-	-
At the end of the year	<b>42,00,000</b>	<b>419.84</b>	<b>42,00,000</b>	<b>419.84</b>

**C Detail of shareholding by the Promoters and Promotor Group in the company**

Promoter Name	As at 31st March, 2024		As at 31st March, 2023		% Change during the year
	No. of Shares	% of Holding	No. of Shares	% of Holding	
Saroj Vinod Lath	3,35,200	7.98%	3,35,200	7.98%	-
Vinod Gajanand Lath	3,22,200	7.67%	3,22,200	7.67%	-
Laxmikant Lath	2,35,600	5.61%	2,35,600	5.61%	-
Vandana Laxmikant Lath	1,19,200	2.84%	1,19,200	2.84%	-
Vinod Gajanand Lath	80,400	1.91%	80,400	1.91%	-
Pradeep Chatraprasad Roongta	13,600	0.32%	13,600	0.32%	-
Beena Pradeep Roongta	12,800	0.30%	12,800	0.30%	-
Leena J Salot	10,000	0.24%	10,000	0.24%	-
Ramashankar Lath	9,600	0.23%	9,600	0.23%	-
Bhavesh Has Mukhlal Mehta	5,200	0.12%	5,000	0.12%	0.00
Prakashkumar Raichand Shah	5,000	0.12%	5,000	0.12%	-
Kamal Kumar Choudhary	4,400	0.10%	4,400	0.10%	-
Kamaluddin Essabhai Vastani	4,400	0.10%	4,400	0.10%	-
Raj Jaisingh	4,400	0.10%	4,400	0.10%	-
Vinod Dharnidharka	1,000	0.02%	1,000	0.02%	-
Chandraprakash Singhania	700	0.02%	700	0.02%	-
Preeti Lath	400	0.01%	400	0.01%	-
Jyoti Lath	300	0.01%	300	0.01%	-
Mahesh Tibrewal	200	0.00%	200	0.00%	-
Bindudevi Lath	100	0.00%	100	0.00%	-
Deepak Lath	3,900	0.09%	300	0.01%	0.00
Jugal Kishor Tela	1,500	0.04%	1,500	0.04%	-
Sunil Exim Pvt Ltd	3,44,900	8.21%	3,44,900	8.21%	-
Rajashree Capital And Insurance Brokers Limited	3,17,500	7.56%	3,17,500	7.56%	-
Sunil Prints Pvt Ltd	2,04,400	4.87%	2,04,400	4.87%	-
Sunil Fabrics Pvt Ltd	1,61,000	3.83%	1,61,000	3.83%	-
Sunil Synthetics Pvt Ltd	1,36,100	3.24%	1,36,100	3.24%	-
Eske Tex I Pvt Ltd	1,28,200	3.05%	1,28,200	3.05%	-
Jagadish Kumar Sanwalka	-	0.00%	1,000	0.02%	0.02%
Pushpadevi J Sanwalka	-	0.00%	3,600	0.09%	-0.09%
Chandra Kumar K Jain	5,000	0.12%	5,000	0.12%	-



**D Detail of shareholders holding more than 5% of shares in the company**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Sumil Exim Pvt Ltd	3,44,900	8.21%	3,44,900	8.21%
Saroj Vinod Lath	3,35,200	7.98%	3,35,200	7.98%
Rajashree Capital And Insurance Brokers Limited	3,17,500	7.56%	3,17,500	7.56%
Vinod Gajanand Lath	3,22,200	7.67%	3,22,200	7.67%
Laxmikant Vinod Lath	2,35,600	5.61%	2,35,600	5.61%

**E Aggregate No. of Shares issued as fully paid up for consideration other than cash, bonus shares issued and shares bought back during the period of 5 Years immediately preceding the reporting date.**

Particulars	Aggregate No. of Shares (for last 5 Financial Years)
<b>Equity Shares :</b>	
Fully paid up pursuant to contract(s) without payment being received in cash	NIL
Fully paid up by way of bonus shares	NIL
Shares bought back	NIL

## Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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### 16 Other Equity

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>General Reserves</b>		
Opening Balance	1408.58	1408.58
Add/(Less) : During the year	-	-
Closing Balance	1408.58	1408.58
<b>Securities Premium Account</b>		
As per last Balance Sheet	492.80	492.80
Add/(Less) : During the year	-	-
Closing Balance	492.80	492.80
<b>Retained Earnings</b>		
Opening balance	1985.39	1647.09
Add : Net profit for the current year	225.16	338.29
Closing Balance	2210.55	1985.39
<b>Total</b>	<b>4111.93</b>	<b>3886.77</b>

### 17 Non-Current Borrowings

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Secured Loans, Rupee Loans From Banks :-</b>		
Working Capital Loan	240.00	306.67
Term Loans	12.11	48.44
Property Loan	-	55.22
Vehicle Loan	52.10	69.93
	304.21	480.26
Less: Current Maturity of Long Term Debts (Refer Note "20")	121.24	176.05
<b>Total</b>	<b>182.97</b>	<b>304.21</b>

#### Nature of Security :-

17.1 Secured Working Capital Loans, Term Loans & Property Loan taken from Standard Chartered Bank are secured against hypothecation of all current assets of the company, both present and future. Further, primary pari passu Equitable mortgage charge over on Certain Immovable and all Movable Property, Plant & Equipment situated at Shed No Plot 8, MIDC Phase II, Dombivili - East, Thane - 421203 together with property at Flat No. 33, 5th Floor, Building Sunbeam May Flower Co Op Hsg Soc Limited, 3A Peddar Road, Mumbai-400026. Further Secured by Personal guarantee of the directors and Corporate guarantee of Sunil Exim Private Limited as mentioned in the loan documents executed by the Company.

17.2 Vehicle Loans from ICICI Bank & Union Bank are secured against the respective vehicles against which the term loan financed by the banks.

#### Terms of Repayment:-

17.3 Working Capital Term Loan From Standard Chartered Bank of Rs. 200 Lakhs by way of Emergency Credit Line Guarantee Scheme. The loan is repayable in the form of 36 Monthly Installments commencing after completion of initial Moratorium of 12 Months. The loan is repayable upto 30-09-2025. The Interest on loan will be paid on monthly basis charge by the bank.

17.4 Working Capital Term Loan From Standard Chartered Bank of Rs. 140 Lakhs by way of Emergency Credit Line Guarantee Scheme. The loan is repayable in the form of 36 Monthly Installments commencing after completion of initial Moratorium of 12 Months. The loan is repayable upto 10-07-2027. The Interest on loan will be paid on monthly basis charge by the bank.

17.5 Term Loans & Property Loan From Standard Chartered Bank are repayable in the form of Equated Monthly Installments. The Term Loans are repayable upto 31-07-2024 and Property Loan is repayable upto 31-12-2023.

17.6 Vehicle Loans From Banks are repayable in the form of Equated Monthly Installments bifurcated into 36 Months.

### 18 Deferred Tax Liability (Net)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Deferred Tax Liability</b>		
Net Block as per Companies Act	3171.19	3035.33
Net Block as per Income Tax Act	2311.18	2299.73
Difference	860.01	735.60
Deferred tax liability (A)	<b>239.26</b>	<b>204.64</b>
<b>Deferred Tax Assets</b>		
Expenses Allowed in the year of Payment		
MSME	1.05	-
Bonus	6.98	-
Gratuity	4.39	4.26

**19 Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits :</b>		
Gratuity	1.60	1.61
<b>Provisions for Expected Credit Allowances :</b>		
Capital Advance	9.51	-
<b>Total</b>	<b>11.11</b>	<b>1.61</b>

**20 Current Borrowings**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b><u>Secured Loan, From Bank</u></b>		
Working Capital Loans	2064.31	2321.65
Current Maturity of Long Term Debts (Refer Note "17")	121.24	176.05
	2185.56	2497.70
<b><u>Unsecured Loans, Repayable on Demand</u></b>		
From Directors	-	35.00
From Relative of Directors	-	10.00
From Related Body-Corporates	2.37	657.50
Inter Corporate Deposits	3034.50	2885.00
	3036.87	3587.50
<b>Total</b>	<b>5222.43</b>	<b>6085.20</b>

**Nature of Security:**

**20.1** Secured Working Capital Loans & Bank Gurantees taken from Standard Chartered Bank are secured against hypothecation of all current assets of the company, both present and future. Further, primary pari passu Equitable mottgage charge over on Certain Immovable and all Movable Property, Plant & Equipment situated at Shed No Plot 8, MIDC Phase II, Dombivili - East, Thane - 421203 together with property at Flat No. 33, 5th Floor, Building Sunbeam May Flower Co Op Hsg Soc Limited, 3A Peddar Road, Mumbai-400026. Further Secured by Personal guarantee of the directors and Corporate guarantee of Sunil Exim Private Limited as mentioned in the loan documents executed by the Company.

**20.2** Unsecured Loans from various parties are repayable on demand and are short term funded against the working capital requirement of the company.

**21 Trade Payables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Outstanding Dues of Micro Enterprises and Small Enterprises	99.91	1.92
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	1311.59	1173.78
<b>Total</b>	<b>1411.50</b>	<b>1175.71</b>

**21.1 Trade payables due for payment / ageing :**

The following ageing schedule shall be given for Trade payables due for payment:-

**a) For the Year ended March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
MSME	99.91	-	-	-	<b>99.91</b>
Others	1249.40	43.13	6.01	13.05	<b>1311.59</b>
Disputed dues – MSME	-	-	-	-	-
Disputeddues – Others	-	-	-	-	-

**b) For the Year ended March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3years	More than 3 years	
MSME	1.92	-	-	-	<b>1.92</b>
Others	1120.93	36.98	13.44	2.44	<b>1173.78</b>
Disputed dues – MSME	-	-	-	-	-
Disputeddues – Others	-	-	-	-	-

**21.2 Dues To Micro, Small and medium Enterprises:-**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED ACT"). The disclosures pursuant to the said MSMED Act are as follows:

	Particulars	As at 31st March, 2024	As at 31st March, 2023
a)	The principal amount remaining unpaid to any supplier at the end of the year	99.91	1.92
b)	Interest due remaining unpaid to any suppliers at the end of the year	-	-
c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f)	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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the Micro Small and Medium Enterprise Development Act, 2006 is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

**22 Other Current Financial liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest accrued but not Due	0.89	1.29
Interest accrued and Due	308.90	265.74
<b>Total</b>	<b>309.78</b>	<b>267.02</b>

**23 Other Current Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Statutory dues	46.86	39.59
Retention from Suppliers	0.80	0.80
Trade Deposits from Customers	98.22	231.62
Payable for Expenses	57.05	50.91
Employees Dues	29.37	27.97
Advance from Customer	0.33	0.19
<b>Total</b>	<b>232.63</b>	<b>351.08</b>

**24 Current Tax Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Income Tax (Net of Taxes Paid)	3.99	-
<b>Total</b>	<b>3.99</b>	<b>-</b>

**25 Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Provision for employee benefits :</b>		
Gratuity	2.79	2.65
<b>Total</b>	<b>2.79</b>	<b>2.65</b>

## Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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(Currency: Amount in Lakhs)

<b>26 Revenue From Operations</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Revenue from operations</b>		
<b>Sale of Products :</b>		
Finished Goods	17855.09	22624.42
Traded Goods	123.98	27.30
<b>Sale of Service :</b>		
Processing Charges	41.52	87.87
<b>Total</b>	<b>18020.58</b>	<b>22739.58</b>
<b>Detail of Sales</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Sale of Products Comprises:</b>		
Cloth	17165.88	21864.60
Made-Ups	-	-
Yarn	568.12	635.84
Waste	34.25	15.78
Others	86.85	108.20
	<b>17855.09</b>	<b>22624.42</b>
<b>Sale of Traded Goods Comprises:</b>		
Pulp Roll	-	27.30
Napkins	123.98	-
<b>Total</b>	<b>123.98</b>	<b>27.30</b>
<b>27 Other Income</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Interest Income		
- On Deposits with Banks	8.56	8.31
- On Loans	2.11	22.02
- On Deposits	2.26	2.52
- On IT Refunds	5.79	2.47
Profit on Sale of Assets	-	1.42
Miscellaneous	0.25	0.97
Reversal on ECL on Receivables	-	-
<b>Total</b>	<b>18.96</b>	<b>37.71</b>
<b>28 Cost of Materials Consumed</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Raw Material Consumed</b>		
Opening Stock	845.05	696.51
Add: Purchases During the Year	11749.93	17746.34
	<b>12594.98</b>	<b>18442.86</b>
Less: Closing Stock	1128.04	845.05
<b>Total Consumption</b>	<b>11466.94</b>	<b>17597.81</b>
<b>Raw Material Purchases during the year Comprises of:</b>		
Yarn	3044.10	4088.54
Cloth	8705.83	13657.81
	<b>11749.93</b>	<b>17746.34</b>
<b>29 Purchases of Stock-in-Trade</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Stock-in-Trade	93.92	25.75
<b>Total</b>	<b>93.92</b>	<b>25.75</b>
<b>Stock-in-Trade Purchases during the year Comprises of:</b>		
Pulp Roll Purchase	93.92	25.75
	<b>93.92</b>	<b>25.75</b>
<b>30 Changes in Inventories of Finished Goods, Work-in-Progress and Waste</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Inventories at the end of the year:</b>		
Finished goods	1693.67	1784.75
Work-in-progress	23.87	32.44
Waste	15.09	0.94
	<b>1732.63</b>	<b>1818.12</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	1784.75	583.51
Work-in-progress	32.44	50.64
Waste	0.94	3.03
	<b>1818.12</b>	<b>637.18</b>
<b>Net (Increase) / Decrease</b>	<b>85.49</b>	<b>-1180.95</b>

<b>31 Employee Benefit Expenses</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Salaries, Wages, Allowances and Bonus	320.83	297.20
Contribution to Provident, Gratuity and other funds	27.81	24.57
Workmen and Staff Welfare Expenses	37.70	41.62
<b>Total</b>	<b>386.33</b>	<b>363.39</b>
<b>32 Finance Costs</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Interest Expenses		
- On Bank Borrowings	199.59	145.68
- On Unsecured Loans	346.80	294.26
- On Other	0.08	0.02
Other Borrowing Cost		
- Bank Charges and Commission	17.79	27.32
- Loan Processing Charges	-	10.38
<b>Total</b>	<b>564.26</b>	<b>477.66</b>
<b>33 Depreciation &amp; Amortization Expenses</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Depreciation on Property, Plant and Equipment	241.04	209.68
Amortization on Intangible Assets	-	0.14
<b>Total</b>	<b>241.04</b>	<b>209.82</b>
<b>34 Other Expenses</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>MANUFACTURING EXPENSES</b>		
Processing and Labour Charges	1055.55	809.96
Stores, Dyes and Chemicals Consumed	550.42	792.71
Power and Fuel	763.84	1079.41
Water Charges	10.76	21.59
Factory Expense	23.99	9.34
Repairs to Building	33.91	35.73
Repairs to Machinery	70.90	81.86
Packing Material Consumed	166.60	193.43
	<b>2675.98</b>	<b>3024.03</b>
<b>ADMINISTRATIVE EXPENSES</b>		
Rent	9.47	10.24
Rates and Taxes	441.06	59.85
Repairs to Others	13.63	5.58
Insurance Charges	15.84	20.41
Travelling and Conveyance	36.38	41.76
Communication Expenses	6.75	3.14
Professional Fees	31.05	41.71
Donations	11.51	34.61
Corporate Social Responsibility	1.69	1.59
Freight, Octroi and Forwarding Expenses	100.10	258.99
Payments to Auditors'	5.45	3.05
Brokerage and Commission	1194.64	1244.17
Loss on sale of assets	6.89	-
Loss on sale of shares	-	-
Bad Debts	89.86	-
Advertisement and Sales Promotion	25.09	25.40
ECL on Receivables	142.16	4.92
ECL on Advances	9.51	-
Miscellaneous Expenses	9.96	10.02
<b>Total</b>	<b>4827.03</b>	<b>4789.46</b>
<b>34.1 Payments to Auditors'</b>		
<b>A) Statutory Auditors:-</b>		
For Audit Fee	2.70	2.50
For Tax Audit Fees	2.20	-
<b>B) Branch Auditors:-</b>		
For Audit Fee	0.55	0.55
For others	-	-
<b>Total</b>	<b>5.45</b>	<b>3.05</b>
<b>34.2 Disclosure pertaining to corporate social responsibility expenses</b>		
The company has not applicable provision of Sec. 135 of the Companies Act, 2013 viz. Corporate Social Responsibility.		
<b>34.3</b> During the year the company has reversed its GST Input Credit balance of Rs.362 Lakhs and charged to revenue under heads "Rates & Taxes", due to unclaimable from GST authority as refund under inverted duty structure for the period from 2017-2022.		

**Sunil Industries Limited**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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**35 Analytical Ratios**

Sr. No.	Ratios	Head	As at 31st March, 2024			As at 31st March, 2023			% Variance	Reason for Variance more than 25%
			Numerator	Denominator	Current Period	Numerator	Denominator	Previous Period		
			Rs.	Rs.		Rs.	Rs.			
i)	Current Ratio	Current Assets / Current Liabilities	8910.88	7366.08	1.21	9599.52	8185.87	1.17	3.16%	
ii)	Debt-equity ratio	Total Debt / Shareholder's Equity	5405.39	4531.77	1.19	6389.41	4306.61	1.48	-19.60%	
iii)	Debt service coverage ratio	EBIDTA/ Total Debt Service	1179.83	740.23	1.59	1181.84	628.76	1.88	-15.20%	
iv)	Return on equity	Net Income available to Shareholders / Shareholder's Equity	225.16	4531.77	0.05	338.29	4306.61	0.08	-36.75%	Due to Reduce in turnover of the company
v)	Inventory turnover ratio	Cost of Goods Sold / Avg. Inventory	11646.35	2876.80	4.05	16442.61	2109.95	7.79	-48.05%	Due to Increase in Direct Cost and increase in inventory holding.
vi)	Trade receivables turnover ratio	Revenue from Operations / Average Account Receivables	18020.58	3373.20	5.34	22739.58	4033.15	5.64	-5.25%	
vii)	Trade payables turnover ratio	Total Purchases + Total Other Expenses / Average Account Payables	16670.89	1293.60	12.89	22561.55	1525.86	14.79	-12.84%	
viii)	Net capital turnover ratio	Revenue from Operations / Average Working Capital	18020.58	2251.62	8.00	22739.58	2151.96	10.57	-24.26%	
ix)	Net profit ratio	Net Profit / Total Revenue	225.16	18039.55	0.01	338.29	22777.29	0.01	-15.96%	
x)	Return on capital employed	Earning Before Interest & Tax / Capital Employed	938.79	4778.68	0.20	972.03	4511.67	0.22	-8.82%	
xi)	Return on investment	Net Income / Total Assets	223.58	12144.77	0.02	343.98	12697.54	0.03	-32.04%	Due to Reduce in turnover of the company

**Sunil Industries Limited**

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

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**36 Fair Value Measurement**
**Financial Instrument by category and hierarchy**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values :

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instrument by valuation technique

- Level 1:** Quoted (unadjusted) price in active markets for identical assets or liabilities.  
**Level 2:** Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.  
**Level 3:** Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Financial Assets and Liabilities	As at 31st March, 2024					As at 31st March, 2023				
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in				
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		
<b>At Amortized Cost</b>										
<b>Financial Assets:-</b>										
- Loans	5.80	-	-	5.80	6.53	-	-	-	-	6.53
- Trade Receivables	3358.15	-	-	3358.15	3388.24	-	-	-	-	3388.24
- Other Financial Assets	147.89	-	-	147.89	59.14	-	-	-	-	59.14
- Cash & Cash Equivalents	411.42	-	-	411.42	1015.10	-	-	-	-	1015.10
- Other Bank Balance	136.17	-	-	136.17	132.02	-	-	-	-	132.02
	<b>4059.44</b>	-	-	<b>4059.44</b>	<b>4601.03</b>	-	-	-	-	<b>4601.03</b>
<b>At FVTPL</b>										
<b>Financial Assets:-</b>										
- Investments*	16.00	-	-	16.00	16.00	-	-	-	-	16.00
	<b>16.00</b>	-	-	<b>16.00</b>	<b>16.00</b>	-	-	-	-	<b>16.00</b>
<b>At Amortized Cost</b>										
<b>Financial Liabilities:-</b>										
Borrowings	5405.39	-	-	5405.39	6389.41	-	-	-	-	6389.41
Other Financial Liabilities	309.78	-	-	309.78	267.02	-	-	-	-	267.02
Trade Payables	1411.50	-	-	1411.50	1175.71	-	-	-	-	1175.71
Lease Liability	-	-	-	-	-	-	-	-	-	-
	<b>7126.68</b>	-	-	<b>7126.68</b>	<b>7832.14</b>	-	-	-	-	<b>7832.14</b>

\* The above Investments does not include equity investments in subsidiaries, associates and joint ventures which are carried at costs and hence are not required to be disclosed as per Ind AS 107 "Financial Instrument Disclosures.

The fair values of current debtors, cash & bank balances, loan to related party, security deposit to government department, current creditors and current borrowings and other financial liability are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Fair value measurements using significant unobservable inputs (level 3)

### 37 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

In the course of business, the company is exposed to certain financial risk that could have considerable influence on the Company's business and its performance. These include market risk ( including currency risk, interest risk and other price risk), credit risk and liquidity risk. The Board of Directors review and approves risk management structure and policies for managing risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides service to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The company uses derivative financial instruments to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

#### i. Market Risk - Interest rate risk :

Interest rate risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

The Sensitivity analysis below has been determined based on the exposures to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible changes in interest rates.

#### ii. Equity Price Risk

Equity price risk is related to the change in market reference price of the investments in quoted equity securities. The fair value of some of the Company's investments exposes the company to equity price risks. At the reporting date, the company do not held any quoted equity securities.

The following table presents the changes in level 3 items for the year ended :

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<b>a. Unquoted Equity Shares</b>		
At Cost	16.00	16.00
Profit / (Loss) Recognized in the Statement of Profit & Loss Account	-	-
Value at the Year end	<u>16.00</u>	<u>16.00</u>

#### b. Quoted Equity Shares

At Cost	-	-
Profit / (Loss) Recognized in the Statement of Profit & Loss Account	-	-
Value at the Year end	<u>-</u>	<u>-</u>

#### iii. Credit Risk

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on customer profiling, credit worthiness and market intelligence. Trade receivables consist of a Government/Institutionals & Other customers, spread across India. Outstanding customer receivables are regularly monitored. The average credit period is in the range of 0 - 180 days. However in select cases credit is extended which is backed by security deposit/bank guarantee/ letter of credit and other firms. The Company's Trade receivables consist of a large number of customers, across India hence the Company is not exposed to concentration risk. The Company measures the expected credit loss of trade receivables from individual customers based on historical trend, industry practices and the business environment in which the entity operates.

#### Ageing of Account receivables

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Not Due	-	-
Less than 6 months	2518.30	1183.86
Beyond more than 180 days	842.03	2218.21
<b>Total</b>	<u>3360.32</u>	<u>3402.07</u>

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

#### iv. Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. Furthermore, the Company access to funds from debt markets through commercial paper programs and short term working capital loans.

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

Particulars	As at	As at
	31st March, 2024	31st March, 2023
Non-current borrowings (including current maturities)	182.97	304.21
Current Borrowings	5222.43	6085.20
Interest Payable	309.78	267.02
<b>Net Debt</b>	<u>5715.18</u>	<u>6656.44</u>



**b. Assets Pledged as Security**

Particulars	As at	As at
	31st March, 2024	31st March, 2023
<b>A. Current Asset</b>		
<b>Non- Financial Assets</b>		
Inventories	2968.87	2784.74
<b>Financial Assets</b>		
Trade Receivables	3358.15	3388.24
Cash & Cash Equivalents	411.42	1015.10
Other Bank Balance	136.17	132.02
Loans	5.80	6.53
Other Current Financial Assets	64.72	16.63
Current Tax Assets	-	39.37
Other Current Assets	1779.57	2071.46
<b>Total Current Assets Pledged as Security (A)</b>	<b>8724.70</b>	<b>9454.08</b>
<b>B. Non-Current Assets</b>		
<b>Non- Financial Assets</b>		
Property, Plant & Equipments	1306.49	1311.18
Other Non-Current Assets	102.99	102.93
<b>Financial Assets</b>		
Investments	16.00	16.00
<b>Total Non-current Assets Pledged as Security (B)</b>	<b>1425.48</b>	<b>1430.11</b>
<b>Total Assets Pledges as Security (A + B)</b>	<b>10150.19</b>	<b>10884.19</b>

The Company maintains sufficient liquidity by way of working capital limits from banks.

**38 Capital Management**

The capital structure of the Company consists of net debt and total equity of the Company. The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through an optimum mix of debt and equity within the overall capital structure. The Company's Risk Management Committee reviews the capital structure of the Company considering the cost of capital and the risks associated with each class of capital.

## Sunil Industries Limited

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2024

CIN : L99999MH1976PLC019331

(Currency: Amount in Lakhs)

### 39 Earning Per Share

Particulars	2023-24	2022-23
Net Profit After Tax available for Equity Shareholders	225.16	338.29
Weighted average number of Equity Shares for Basic EPS	42,00,000	42,00,000
Weighted average number of Equity Shares for Diluted EPS	42,00,000	42,00,000
Nominal Value of Equity Shares	10	10
Basic & Diluted Earnings per Equity Share	5.36	8.05

### 40 Expenditure & Earning in Foreign Currency

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Expenditure :</b>		
Travelling Expenses	8.47	-
Stores & Spares	-	-
CIF Value of Capital Goods	-	-
CIF Value of Purchases	-	-
<b>Earnings :</b>		
Export Sales	-	-

### 41 Stores, Spares, Dyes and Chemicals Consumed

Particulars	As at 31st March, 2024	As at 31st March, 2023
Indigenous	550.42	792.71
Imported	-	-

### 42 Employee Benefit

As per IND AS 19 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below:

#### (i) Defined Contribution Plan

Contribution to Defined Contribution Plan includes Provident Fund & ESIC. The expenses recognised for the year are as under :

Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund & ESIC	24.90	21.83
	<b>24.90</b>	<b>21.83</b>

#### (ii) Defined Benefit Plans

##### (a) Gratuity:

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 to 26 days/one month salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service, retirement or death, whichever is earlier. The benefit vests after 5 years of continuous service.

##### (b) Major category of plan assets:

The Company has taken plans from Life Insurance Corporation of India.

(c) The following tables set out the funded status of the gratuity and leave encashment plans and the amounts recognised in the Company's financial statements as at 31 March 2024 and 31 March 2023

#### Gratuity:

(1) Funded Status of the Plan: -	2023-24	2022-23
Present value of unfunded obligations	-	-
Present value of funded obligations	62.26	57.03
Fair value of plan assets	-57.88	-52.77
<b>Net Liability (Asset)</b>	<b>4.39</b>	<b>4.26</b>

The total accrued liability is Rs. 67,91,277/-. Out of which the value of discontinuance liability (if all the accrued benefits were to settle immediately) as at the valuation date is Rs. 67,91,277/-

#### 2) Bifurcation of Liability as per Schedule III

	2023-24	2022-23
Current Liability	2.79	2.65
Non- Current Liability	1.60	1.61
<b>Net Liability (Asset)</b>	<b>4.39</b>	<b>4.26</b>

#### (3) The amounts recognized in the statement of Profit and Loss Account are as follows: -

	2023-24	2022-23
Current Service cost	2.65	2.51
Interest cost on benefit obligation	0.22	0.19
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized during the year	-	-
Past service cost	-	-
Losses (gains) on curtailments & settlement	-	-
<b>Total included in 'Employee benefit Expenses'</b>	<b>2.87</b>	<b>2.69</b>

<b>(4) Other Comprehensive Income for the current period</b>	<b>2023-24</b>	<b>2022-23</b>
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumption	0.85	-1.73
Due to change in demographic assumption	-	-
Due to experience adjustment	-2.38	7.60
Return on plan assets excluding amounts included in interest income	-0.05	-0.19
<b>Amounts recognized in Other Comprehensive (Income) / Expense</b>	<b>-1.58</b>	<b>5.69</b>

<b>(5) Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balance thereof are as follows:</b>	<b>2023-24</b>	<b>2022-23</b>
Opening defined benefit Obligation	57.03	47.91
Transfer Out Liability to Group Gratuity Company	-	-
Current service cost	2.65	2.51
Interest cost	4.12	3.28
Due to experience adjustments	-2.38	7.60
Due to Change in financial assumptions	0.85	-1.73
Actuarial (gains) / loss	-	-
Past service cost	-	-
Benefits Paid	-	-2.55
<b>Closing defined benefits obligation</b>	<b>62.26</b>	<b>57.03</b>

<b>(6) Changes in the fair value of plan assets representing reconciliation of the opening and closing balance thereof are as follows: (expressed as weighted averages):</b>	<b>2023-24</b>	<b>2022-23</b>
Opening fair value of plan assets	52.77	43.98
Transfer in/(out) plan assets	-	-
Interest Income	3.90	3.09
Return on plan assets excluding amounts included in interest income	0.05	0.19
Contribution by employer	1.15	8.05
Benefit Paid	-	-2.55
<b>Closing fair value of plan assets</b>	<b>57.88</b>	<b>52.77</b>

*The actual return on the assets is Rs. 3,95,069*

<b>(7) Principle actuarial assumptions</b>	<b>2023-24</b>	<b>2022-23</b>
<b>Particulars</b>		
Discount Rate	7.20 % p.a	7.4 % p.a
Salary Growth Rate	7.00 % p.a.	7.0 % p.a.
Withdrawal Rates	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages	10.00% p.a at younger ages reducing to 2.00% p.a% at older ages
Rate of Return on Plan Assets	7.20 % p.a	7.4 % p.a

**43 Related Parties Disclosure :****Disclosure of related parties/related party transactions pursuant to Ind AS 24 “ Related Party Disclosures ”****a. Enterprises controlled by Director and Relatives**

EskeTex (India) Private Limited	Sunil Exim Private Limited
Sunil Fabrics Private Limited	Sunil Bleaching Co. Private Limited
Sunil Synthetics Private Limited	Rarefab Textiles Private Limited
Sunil Prints Private Limited	Apple Mines & Mineral Pvt Ltd
Image Dealcom Private Limited	

**b. Key Management Personnel and their relatives**

Name	Relationship	Name	Relationship
Mr. Vinod Lath	Chairman & Managing Director	Mr.Laxmikant Lath	Relatives of Executive Directors
Mr. Pradeep Roongta	CFO & Whole Time Director	Mr.PrateekRoongta	Relatives of Executive Directors
Mr.RohitGadia	Director	Mrs.Saroj Lath	Relatives of Executive Directors
Mrs.ShrutiSaraf	Director	Mrs.BeenaRoongta	Relatives of Executive Directors
Mr.RajeshTibrewal	Director	Mrs. Vandana Lath	Relatives of Executive Directors
Mr.SourabhSahu	Company Secretary		

**c. Transaction with related parties :**

Name of Party	Nature of Transaction	2023-24	2022-23
Eske Tex (India) Private Limited	Interest Paid	16.00	6.03
	Loan Repaid during the year	244.00	17.93
	Loan Received During the year	122.00	134.85
Rarefab Textiles Private Limited	Interest Paid	20.45	7.07
	Loan Repaid during the year	253.08	2.00
	Loan Received During the year	45.00	158.00
Apple Mines & Mineral Pvt Ltd	Interest Paid	1.89	0.70
	Loan Repaid during the year	21.00	21.00
Sunil Bleaching Co. Private Limited	Interest Paid	5.92	2.26
	Loan Repaid during the year	94.66	2.63
	Loan Received During the year	52.00	28.00
Sunil Exim Private Limited	Interest Paid	5.29	3.95
	Loan Repaid during the year	60.40	0.50
	Loan Received During the year	4.00	31.00
Sunil Fabrics Private Limited	Interest Paid	3.47	2.52
	Loan Repaid during the year	42.98	0.00
	Loan Received During the year	15.00	0.00
Sunil Prints Private Limited	Interest Paid	0.33	0.47
	Loan Repaid during the year	5.18	0.00
Sunil Synthetics Private Limited	Interest Paid	3.43	3.27
	Loan Repaid during the year	41.29	0.00
	Loan Received During the year	5.00	0.00
Image Dealcom Private Limited	Interest Paid	22.52	30.31
	Loan Repaid during the year	455.96	475.49
	Loan Received During the year	289.68	35.00
Vandana Textiles	Rent paid	9.00	9.00
Mr. Vinod Lath	Interest Paid	6.23	2.38
	Loan Received During the year	94.46	35.77
	Loan Repaid during the year	129.46	0.00
	Remuneration to Directors	24.00	24.00
Mrs.Saroj Lath	Interest Paid	1.98	0.68
	Loan Received During the year	29.00	10.00
	Loan Repaid during the year	39.00	0.00
Mr. Pradeep Roongta	Remuneration to Directors	24.00	24.00
Mr. Ramesh Khanna	Remuneration to Directors	-	10.56
Mr.Sourabh Sahu	Remuneration to Company Secretary	2.16	2.16
Mrs.Beena Roongta	Salary Paid	12.00	12.00
Mr.Prateek Roongta	Salary Paid	15.00	9.00

**d. Balance Outstanding of Related Parties :**

Name of Party	Receivable/Payable	As at 31st March, 2024	As at 31st March, 2023
EskeTex (India) Private Limited	Payable	14.74	129.43
Rarefab Textiles Private Limited	Payable	18.41	214.44
Image Dealcom Private Limited	Payable	20.27	166.28
Vinod Lath	Payable	6.61	38.69
Pradeep Roongta	Payable	1.27	1.48
Beena Roongta	Payable	0.87	0.84
Prateek Roongta	Payable	0.81	0.44
Vandana Textiles	Payable	-	8.10
Apple Mines & Mineral Pvt Ltd	Payable	1.70	21.63
Sunil Bleaching Co. Private Limited	Payable	5.69	45.07
Sunil Exim Private Limited	Payable	4.76	59.96
Sunil Prints Private Limited	Payable	0.29	5.60
Sunil Synthetics Private Limited	Payable	3.09	39.23
Mrs.Saroj Lath	Payable	1.78	10.61
Sunil Fabrics Private Limited	Payable	3.13	30.24
Sourabh Sahu	Payable	0.18	0.18

**Note:**

The related party relationships and transactions have been determined by management of the Company on the basis of the requirements of the Ind AS 24 "Related Party Disclosures" and the same have been relied upon by the auditors.

The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

Related parties have been identified by the Management. Actual re-imbursment of expenses/taxes paid on behalf of related parties is not considered as a related party transactions for disclosure purpose

44 Contribution to political parties during the year 2023-24 is Rs. Nil (previous year Rs. Nil).

45 There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2024.

**46 Disclosure pertaining to Immovable properties**

i) The title deeds, of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

**47 Wilful defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority

48 Compliance related to number of layers prescribed under clause (87) of Section 2 of the Act is not applicable to the Company, keeping in view the fact that the Company has no subsidiaries.

**49 Utilisation of Borrowings availed from Banks and Financial Institutions**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**50 Crypto Currency / Virtual Currency**

The company has not done any transaction in Crypto or Virtual currency.

51 The company has not entered into any Scheme's of arrangements with the competent authority in terms of Sec. 230 to 237 of the Companies Act, 2013.

**52 Details of pending charge creation / satisfaction registration with ROC.**

The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

53 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

Particulars	As at	As at
	31st March, 2024	31st March, 2023
a) repayable on demand	-	-
b) without specifying any terms or period of repayment	-	-

**Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties**

Type of Borrower	Terms of repayment	As at 31st March, 2024		As at 31st March, 2023	
		Amount in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans	Amount in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
Promoters		-	-	-	-
Directors		-	-	-	-
KMP's		-	-	-	-
Related Parties	Repayable on Demand	-	-	-	-

The Company has not extended any loans to its related parties during the year and previous year.

**54 Reconciliation and Deviation in Submitting the Stock Statements to lenders:**

The Stock, Debtor and Creditors statement are submitted to the Standard Chartered Bank. The deviation in the Quarterly Stock-Book debts statements as compared to the books are explained in the below table:

Name of the Bank	Quarter for the FY 2023-2024	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Stock	993.26	990.99	2.27
		Debtors	6186.42	6189.54	-3.12
		Creditors	1695.98	842.28	853.70
Standard Chartered Bank	Qtr 2	Stock	2120.33	2108.25	12.08
		Debtors	7352.56	7355.63	-3.07
		Creditors	3243.18	2330.40	912.78
Standard Chartered Bank	Qtr 3	Stock	1496.82	1496.81	0.01
		Debtors	7726.22	7731.09	-4.87
		Creditors	2492.87	1690.24	802.63
Standard Chartered Bank	Qtr 4	Stock	2968.87	2968.87	0.00
		Debtors	3359.94	3361.76	-1.82
		Creditors	2005.41	950.97	1054.44

**Reason for Material Discrepancies :**

1. The company has submitted Stock-Book-Debt Statement to bankers on provisional basis/un-audited as per the bankers requirements in every month.
2. The value of unaudited creditors of goods includes creditors for expenses. The debt statement provided to bankers are only in related to un-paid stock.
3. The Variance in Book-Debt outstanding are due to Debit/Credit Notes and other claims adjustment.
4. There are no-material variance in value of inventory submitted to bankers.

Name of the Bank	Quarter for the FY 2022-2023	Particulars of Securities Provided	Amount as per Books of accounts	Amount as reported in the quarterly return/ statement	Amount of difference
Standard Chartered Bank	Qtr 1	Stock	2129.38	2205.49	-76.11
		Debtors	8043.06	8023.09	19.97
		Creditors	4145.03	4232.12	-87.09
Standard Chartered Bank	Qtr 2	Stock	1525.86	1499.27	26.59
		Debtors	10587.74	10587.47	0.27
		Creditors	5411.00	5523.54	-112.54
Standard Chartered Bank	Qtr 3	Stock	1428.96	1397.55	31.41
		Debtors	8840.47	8910.95	-70.48
		Creditors	3081.07	3024.56	56.51
Standard Chartered Bank	Qtr 4	Stock	2784.74	2700.35	84.39
		Debtors	3402.07	3400.25	1.82
		Creditors	980.46	977.88	2.58

**Reason for Material Discrepancies :**

1. The company has submitted Stock-Book-Debt Statement to bankers on provisional basis/un-audited as per the bankers requirements in every month.
2. The value of unaudited creditors of goods includes creditors for expenses which are later reclassified. The debt statement provided to bankers are only in related to un-paid stock.
3. The Variance in Book-Debt outstanding are due to Debit/Credit Notes and other claims adjustment.
4. The variance in inventory is due to subsequent rectification of consumption and valuation of stock

**55 Contingent Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Bank Guarantee	317.17	1452.53
Disputed Excise Duty liability*	141.30	141.30
Disputed Customs Duty liability of M/s. Sunil Impex , a firm in which the company was an erstwhile partner sharing 80% profit and loss (to the extent of the profit and loss sharing ratio).**	336.00	336.00
Disputed TNVAT liability ( Inclusive of penalty of Rs. 20.82 lakhs)***	28.05	28.05

\* In the case of Excise Duty Liability, the Company had filed the appeal to CEGAT. An order was passed by CEGAT and has remanded the matter back to the Adjudicating Authority namely Commissioner of Central Excise, Thane-I. The management is of the view that the said demand will be deleted for which no liability will arise and in view of the same no provision is made as it will not impact the financial statements.

\*\* In the case of Custom duty, the contingent liabilities is on account of the "departmental" appeal filed by custom authorities, the company had in fact received the order in its favor, in the first appeal. Therefore the management of the company is of the view that the departmental appeal would be dismissed in favor of the company, hence the same is shown as a contingent liability and no provision is made as it will not impact the financial statements

\*\*\* In the case of TNVAT Liability, the company has filed appeal to the Sales Tax/VAT authorities. The management is in the view that the demands will be deleted and no provision is to be made as this will not impact the financial statements.

**56 Capital Commitments****Particulars**

	As at 31st March, 2024	As at 31st March, 2023
Estimated amount of capital contracts remaining to be executed on capital account and not provided.	200.00	100.00

57 No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

58 Disclosure on 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, is not applicable to the Company, since no such event occurred during the year.

**59 Segmental Reporting**

The Company is engaged only in Textile business and there are no separate reportable segments as per Ind AS 108.

**60 Utilization of borrowed funds and share premium:**

A) The company has not granted/advance/invested funds in any entities or to any other person including foreign entities during the year with the understanding that the:

- Intermediary shall directly or indirectly lend or invest in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries).
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

B) The company has not received any funds during the year from any person's/entities including foreign entities with the understanding that the company shall

- Directly or indirectly lend or invest in any manner whatsoever by or on behalf of the funding entity (Ultimate beneficiaries).
- Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

**61 Relationship with Struck off Companies**

There are no companies which are struck off in MCA.

**62 Rule 11(g) of Companies (Audit and Auditors) Rules, 2014**

The Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 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 softwares.

**63 In the opinion of the Board :**

- The current assets, loans and advances will realise in the ordinary course of business, at least the amount at which these are stated in the Balance Sheet. The balances of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation and consequential adjustment, if any.
- Provision for all known liabilities have been made.

64 The company has a spinning unit at Dindigul, Tamilnadu. The accounts of the Dindigul unit has been audited by B. Thiagarajan & Co. - Chartered Accountants. Further, the Company has an sale Division in Surat, where separate financials has been prepared and has been audited by A.K. Adukia & Co. - Chartered Accountants.

65 Figures of previous year have been regrouped, rearranged, reclassified where ever necessary to make them comparable with that of current year.

**For V.K.Beswal & Associates**

Chartered Accountants

Firm Reg No.:101083W

Sd/-

**CA Kunal V Beswal**

Partner

Membership Number- 131054

Place : Mumbai

Date : 27-05-2024

For and on behalf of Board of Directors

**Sunil Industries Limited**

Sd/-

**Vinod Lath**

(Chairman & Managing Director)

(DIN:64774)

Sd/-

**Pradeep Roongta**

(CFO & WTD)

(DIN:130283)

Sd/-

**Sourabh Sahu**

Company Secretary