



The Nahar Group

# 43rd ANNUAL REPORT 2022-23



**Nahar** SPINNING MILLS LIMITED

# BOARD OF DIRECTORS

## Sh. Jawahar Lal Oswal

Sh. Dinesh Oswal  
Sh. Kamal Oswal  
Sh. Dinesh Gogna  
Sh. Satish Kumar Sharma  
Dr. Manisha Gupta  
Dr. Vijay Asdhir  
Dr. Roshan Lal Behl  
Dr. Yash Paul Sachdeva  
Dr. Anchal Kumar Jain

## Chairman

Managing Director  
Director  
Director  
Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

## CHIEF FINANCIAL OFFICER

Sh. Anil Garg

## G.M. (FINANCE)

Sh. P. K. Vashishth

## COMPANY SECRETARY

Sh. Brij Sharma

## AUDITORS

M/s Gupta Vigg & Co., Chartered Accountants  
101, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141 003.

## PRINCIPAL BANKERS :

Punjab National Bank, State Bank of India

## REGD. OFFICE

: 373, Industrial Area- 'A', Ludhiana-141 003

## WORKS

: 427, Industrial Area - 'A', Ludhiana (Punjab)  
Dhandari Kalan, G.T. Road, Ludhiana (Punjab)  
Village Simrai, Mandideep, Distt. Raisen (M.P.)  
Village Lalru and Lehli, Distt. S.A.S. Nagar (Punjab)  
Village Jalalpur, Distt. S.A.S. Nagar (Punjab)  
Rishab Spinning Mills, Village Jodhan, Distt. Ludhiana  
Nahar Fibres, Jitwal Kalan, Malerkotla, Distt. Sangrur

## 43rd ANNUAL GENERAL MEETING

Day : Monday  
Date : 25<sup>th</sup> September, 2023  
Time : 10.00 A.M.  
Mode : Video Conference (VC) or other  
Audio Visual Means (OAVM)

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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **43<sup>rd</sup> ANNUAL GENERAL MEETING (AGM)** of the members of **NAHAR SPINNING MILLS LIMITED ('the Company')** will be held on **Monday, the 25th day of September, 2023 at 10.00 A.M** through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities & Exchange Board of India in this regard, to transact the following businesses:

**ORDINARY BUSINESS:****ITEM NO.1-ADOPTION OF FINANCIAL STATEMENTS**

To consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and Auditors thereon.

**ITEM NO.2 - DECLARATION OF DIVIDEND**

To declare a Dividend of Rs. 1.50/- per equity share of Rs. 5/- each on Equity Share Capital for the financial year ended 31<sup>st</sup> March, 2023.

**ITEM NO.3 - APPOINTMENT OF MR. DINESH GOGNA (DIN: 00498670) AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a Director in place of Mr. Dinesh Gogna (DIN: 00498670) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

**ITEM NO.4 - APPOINTMENT OF MR. KAMAL OSWAL (DIN: 00493213) AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a director in place of Mr. Kamal Oswal (DIN: 00493213) in terms of Section 152(6) of the Companies Act, 2013, who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****ITEM NO.5 - RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Cost Auditors M/s. Ramanath Iyer & Co. (Firm Registration No. 000019), New Delhi appointed by the Board to conduct the audit of the Cost Records of the Company for the financial year 2023-24 at a remuneration of Rs. 1.90 Lakhs (Rupees One Lakh Ninety Thousand Only) plus applicable taxes and

reimbursement of out of pocket expenses incurred, be and is hereby ratified."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**ITEM NO.6 – TO APPROVE INCREASE IN THE FEE PAYABLE TO MR. JAWAHAR LAL OSWAL, NON-EXECUTIVE DIRECTOR/CHAIRMAN OF THE COMPANY**

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

**"RESOLVED THAT** pursuant to the provisions of Section 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and on the recommendation of Nomination and Remuneration Committee, Audit Committee and approval of the Board of Directors of the Company, consent and approval of the members of the Company, be and is hereby accorded for the increase in payment of Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company (DIN: 00463866) from @0.35% to @0.50% of Export Sales of the Company w.e.f. 1<sup>st</sup> April, 2023 till the remaining period of his appointment i.e. 30<sup>th</sup> September, 2024, in addition to sitting fees for attending the meetings of the Board of Directors as approved by the Board of Directors for Non-Executive Directors of the Company."

**"RESOLVED FURTHER THAT** the said amount will be paid to Mr. Jawahar Lal Oswal even if it exceeds one percent of the net profits of the Company in accordance with Section 197 and 198 of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof."

**"RESOLVED FURTHER THAT** wherein any financial year, the Company has no profits or its profits are inadequate, the Company may pay Mr. Jawahar Lal Oswal, the said amount as Minimum Remuneration w.e.f. 1<sup>st</sup> April, 2023 till the remaining period of his appointment i.e. 30<sup>th</sup> September, 2024 or such other period as may be statutorily permitted subject to the requisite approvals, if any."

**"RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent and approval



of the members of the Company, be and is also hereby accorded for above payment to Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2023-24.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and are hereby authorised to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

#### **ITEM NO. 7 – TO INCREASE BORROWING LIMIT 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** in supersession of earlier resolution dated 30th day of September, 2014 passed at the Annual General Meeting and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of Companies Act, 2013, if any, read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent and approval of the members of the company, be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall also include a committee thereof) to borrow any sum and sums of money from time to time in rupee currency and/or foreign currency, as they may deem necessary or expedient for the purpose of business of the Company, upon such terms and conditions as the Board may in its absolute discretion think fit, notwithstanding the monies to be borrowed, together with monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) at any time, will or may exceed from the aggregate of the paid up Share Capital of the Company, its Free Reserves and Security Premium, not set apart for any specific purpose, provided that such total amount up to which monies may be borrowed and outstanding at any time shall not exceed the sum of Rs. 2000 Crores (Rupees Two Thousand Crores) only.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board Directors of the company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, proper and desirable.”

#### **ITEM NO.8 - TO CREATE CHARGES/MORTGAGES ON THE ASSETS OF THE COMPANY FOR SECURING THE LOAN AVAILED/TO BE AVAILED BY THE COMPANY**

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

“**RESOLVED THAT** in supersession of resolution dated 30th day of September, 2014 passed at the Annual General Meeting and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of Companies Act, 2013, if any, read with the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the consent and approval of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall also include committee thereof) for the creation of mortgage and/or charge in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such times and on such terms as the Board may determine on all or any of the movable and immovable properties of the Company, both present and future and/or on the whole or any part of the undertaking(s) of the Company for securing the borrowings and financial assistance not exceeding Rs. 2000 Crores (Rupees Two Thousand Crores) only by way of loans (in foreign currency and/or rupee currency) and the securities and/or other debt instruments issued/to be issued by the Company from time to time together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment charges and expenses including any increase as a result of devaluation/ revaluation/fluctuations in the rates of exchange and all other moneys payable by the Company in terms of loan agreement(s), Heads of agreement(s), or any other document entered into/to be entered into between the Company and the Lender(s)/Agent(s) in respect of the said loan/borrowing/financial assistance.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors of the company be and are hereby authorized, for and on behalf of the company, to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper and desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid.”

**BY ORDER OF THE BOARD**

**Dated: 9<sup>th</sup> August, 2023**  
**REGISTERED OFFICE:** (COMPANY SECRETARY)  
373, Industrial Area-A,  
Ludhiana -141003 (India)  
CIN: L17115PB1980PLC004341  
E-mail: secnsm@owmnahar.com

**NOTES:**

- The Ministry of Corporate Affairs (MCA) vide its Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 (collectively referred to as "MCA Circulars") has permitted to conduct the Annual General Meeting through video conferencing ("VC") or other audio-visual means ("OAVM") upto September 30, 2023. In compliance with aforesaid MCA Circulars, the 43<sup>rd</sup> Annual General Meeting will be held through video conferencing (VC) or other audio visual means (OAVM) without the physical presence of the Members at a common venue. Members can attend and participate in the ensuing AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 25. The 43<sup>rd</sup> AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.**
- The venue of the Meeting shall be deemed to be the Registered Office of the Company.
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
- Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- In line with the MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022 and January 5, 2023, the Notice calling the AGM alongwith Annual Report for the year 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2022-23 has been uploaded on the website of the Company at [www.ownahar.com](http://www.ownahar.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). However, hard copy of full annual report will be sent to the shareholder who request for the same.
- The Register of Members and Share Transfer Register of the Company shall remain closed from 9th September, 2023 to 12th September, 2023 (both days inclusive) for the purpose of equity dividend for the year ended 31<sup>st</sup> March, 2023.
- The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members subject to deduction of tax at source, whose names shall appear in Register of Members as on 8<sup>th</sup> September, 2023 or Register of Beneficial Owners, maintained by the Depositories at the close of 8<sup>th</sup> September 2023.  
Members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend income is taxable in the hands of members and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, in accordance with the provisions of the IT Act.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Dinesh Gogna (DIN: 00498670) and Mr. Kamal Oswal (DIN: 00493213), Non-Executive Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and



the Board of Directors of the Company commend their respective re-appointments.

11. The relevant information under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/re-appointed, is given hereto and form part of the Notice.
12. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2014-15 has been transferred to Investor Education and Protection Fund. Further, unpaid dividend for the year 2015-16 is to be transferred to Investor Education and Protection Fund in November, 2023. Shareholders who have not encashed their dividend warrants relating to said period are requested to claim the amount from the Company at the earliest.
13. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend was remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.owmnahtar.com/spinning/transfer-of-equity-shares-to-IEPF.php>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.ief.gov.in](http://www.ief.gov.in).
14. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://www.ief.gov.in/IEPF/refund.html> or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority.
15. As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form.
16. SEBI has made it mandatory for all the Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members are requested to ensure that their correct bank details alongwith 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP) for electronic credit of dividend. Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.
17. To avail the facility of nomination, Members holding shares in physical are requested to send us duly filled and signed Nomination Form (Form No. SH-13) to the Company's RTA. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP.
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, 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.
19. 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 at the AGM.
20. **SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 (the "SEBI Circulars") has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14 otherwise RTA shall be constrained to freeze such Folio(s) effective from October 01, 2023.**

In view of the above and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.

In compliance thereof, the Company has already sent the communication alongwith prescribed forms to all the physical shareholders at their registered address. Members are requested to forward the duly



- filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Capital and Financial Services Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at [http://www.owmnahar.com/nahar\\_cf/kyc\\_updation.php](http://www.owmnahar.com/nahar_cf/kyc_updation.php).
21. As an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6. Consolidation of securities certificates/folios; 7. Transmission; 8. Transposition. Therefore, Members are requested to kindly get their shares dematerialised at the earliest.
22. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, 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 in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 25, 2023 Members seeking to inspect such documents can send an email to [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com).
23. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- 24. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES:**
- (i) For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com) or [rta@alankit.com](mailto:rta@alankit.com).
  - (ii) For Demat shareholders - please update your email id & mobile no. with your respective Depository Participant (DP).
  - (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
- 25. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVMAREAS UNDER:**
- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (i) The voting period begins on 22<sup>nd</sup> September, 2023 (9:00 a.m.) and ends on 24<sup>th</sup> September, 2023 (5:00 p.m.). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18<sup>th</sup> September, 2023, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The members who have voted through remote e-voting will be eligible to attend the AGM but they will not be entitled to vote at the AGM.
  - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.



Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<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 URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in</p>

	<p>progress as per the information provided by company. On clicking the E-voting 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 or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Provider i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 <a href="https://web.cdslindia.com/myeasi./Registration/">https://web.cdslindia.com/myeasi./Registration/</a> Easi Registration.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting 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 with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service</p>





	<p>provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/Id easDirectReg.jsp">https://eservices.nsd.com/SecureWeb/Id easDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.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 e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for</p>

	<p>casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method of e-Voting and joining virtual AGM for **Physical Shareholders & shareholders other than individual shareholders holding in demat form.**
  - (a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (b) Click on "Shareholders" module.
  - (c) Now Enter your User ID
    - i. For CDSL: 16 digits beneficiary ID,
    - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - iii. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (d) Next enter the Image Verification as displayed and Click on Login.
  - (e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



(f) If you are a first time user follow the steps given below:

	<b>For Physical Shareholders and other than individual shareholders holding shares in demat</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (g) After entering these details appropriately, click on "SUBMIT" tab.
- (h) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (j) **Click on the EVSN for NAHAR SPINNING MILLS LIMITED i.e. 230822003 to vote.**
- (k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent

to the Resolution and option NO implies that you dissent to the Resolution.

- (l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (m) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (o) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (p) If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (q) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (vi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdsindia.com](mailto:helpdesk.evoting@cdsindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to



vote, to the Scrutinizer at bathla7@gmail.com and to the Company at secnsm@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- (vii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18<sup>th</sup> September, 2023 may follow the same instructions as mentioned above for e-Voting.
- (viii) If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

- (ix) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:

Mr. Brij Sharma,  
Company Secretary and Compliance Officer  
373, Industrial Area-A, Ludhiana – 141003  
CIN: L17115PB1980PLC004341  
Phone: 0161-2600701 to 705  
E-mail: secnsm@owmnahar.com

## **26. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM ARE AS UNDER:**

- (i) The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at secnsm@owmnahar.com. These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### **Other instructions:**

- 27. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.
- 28. The Company has appointed Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes cast during the AGM and votes



cast through remote e-voting, in a fair and transparent manner.

29. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), within two working days of the conclusion of the AGM.
30. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.ownahar.com](http://www.ownahar.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
31. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 43<sup>rd</sup> Annual General Meeting i.e. 25<sup>th</sup> September, 2023.
32. A person who is not a Member as on the cut off date i.e. 18<sup>th</sup> September, 2023 should treat this Notice for information purposes only.

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

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 5 to Item No. 8 of the accompanying Notice:

##### **ITEM NO. 5**

As per the provisions of Companies (Cost Records and Audit) Rules, 2014, as amended Company's activities fall within the purview of Cost Audit requirement. Accordingly, the Board at its meeting held on 30<sup>th</sup> May, 2023 on the recommendation of Audit Committee, approved the appointment of M/s Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) at a remuneration of Rs. 1.90 Lakhs (Rupees One Lakh Ninety Thousand only) plus applicable taxes and Reimbursement of Out of pocket expenses incurred for conducting the Cost Audit of the Cost records of the Company for the financial year 2023-24.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the shareholders of the Company.

Accordingly, consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of remuneration payable to M/s. Ramanath Iyer & Co., Cost

Accountants (Firm Registration No. 000019) for financial year 2023-24.

None of the Directors of the Company, the Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested, financial or otherwise, in the aforesaid resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval of the members.

##### **ITEM NO. 6**

The Shareholders vide their Special Resolution dated 29<sup>th</sup> September, 2021 approved the payment @0.35% of Export Sales of the Company, to Mr. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company (DIN: 00463866) w.e.f. 1<sup>st</sup> October, 2021 for a period of three years.

Mr. Jawahar Lal Oswal has been associated with the company as Director/Chairman since 1992. Since then, the Company has been utilizing his textiles knowledge, business experience and leadership without any consideration. Having regard to his contribution to the growth of the company especially on export front, the Board, on the recommendation of Nomination and Remuneration Committee and Audit Committee has sought approval of the members by way of Special Resolution for increase in the payment of Mr. Jawahar Lal Oswal from @ 0.35% to @ 0.50% of Export Sales till the remaining period of his appointment i.e 30<sup>th</sup> September, 2024. In addition to the said payment, Mr. Jawahar Lal Oswal shall continue to be eligible for payment of sitting fees for attending the meetings of the Board of Directors, as approved by the Board of Directors for Non-Executive Directors of the Company.

The said payment will be paid to Mr. Jawahar Lal Oswal even if it exceeds one percent of the Net Profits of the Company in accordance with Section 197 and 198 of the Companies Act, 2013.

Wherein any financial year during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the said payment to Mr. Jawahar Lal Oswal, w.e.f. 1<sup>st</sup> April, 2023 as the minimum amount till the remaining period of his appointment i.e 30<sup>th</sup> September, 2024 subject to the requisite approvals, if any.

Further, pursuant to Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company, is also being sought for above payment to Mr. Jawahar Lal Oswal, Non-Executive Director/Chairman of the Company, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the financial year 2023-24.

**Listed Companies (other than Nahar Spinning Mills Limited) in which Sh. Jawahar Lal Oswal holds**



**Directorship of Board, Chairmanship and Membership of Board Committees as on 31<sup>st</sup> March, 2023:**

**Directorship of Board:**

Sr.No.	NAME OF THE COMPANY	STATUS
1	Nahar Capital and Financial Services limited	Director/Chairman
2	Nahar Poly Films Limited	Director/Chairman
3	Nahar Industrial Enterprises Limited	Director/Chairman
4	Monte Carlo Fashions Limited	Chairman/ Managing Director

**Chairmanship of Board Committees:** Nil

**Membership of Board Committees:** Nil

**Shareholding in the Company:** He holds 90374 Equity Shares of Rs.5/- each

**Disclosure of relationship between Directors inter-se:** Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal, Director and Mr. Dinesh Oswal, Managing Director of the company. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers.

Mr. Jawahar Lal Oswal may be deemed to be concerned or interested in the aforesaid resolution. Mr. Dinesh Oswal (Managing Director), Mr. Kamal Oswal (Director), Mrs. Ritu Oswal and Ms. Tanvi Oswal being relatives of Mr. Jawahar Lal Oswal may also be deemed to be concerned or interested in the said resolution.

None of the other Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the Special Resolution set out at Item No.6 of the accompanying Notice for your approval.

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013**

**I. GENERAL INFORMATION:**

**(1) Nature of Industry**

The Company is mainly engaged in the manufacturing of Yarn and Garments under the main head Textile Industry.

**(2) Date or expected date of commencement of commercial production**

The Company was incorporated on 16<sup>th</sup> December, 1980 and is working since then.

**(3) In case of new companies expected date of commencement of activities as per project approved by the financial institution appearing in the prospectus.**

Not Applicable, as the company is an existing Company operating its Spinning/Garment Plants successfully.

**(4) Financial performance based on the given indicators**

(Rs. In lakhs)

	FY 2022-23	FY 2021-22
<b>Gross Revenue</b>	284122.64	360837.34
<b>Profit before Tax</b>	15468.25	67526.97
<b>Net Profit for the period</b>	11079.25	50218.77

**(5) Foreign investments or Collaborators, if any**

The Company has not entered into any foreign collaboration and no foreign direct capital investment has been made in the Company.

**II. INFORMATION ABOUT THE APPOINTEE:**

**(1) Background details**

Mr. Jawahar Lal Oswal is 79 years of age and holds a Bachelor's Degree in Commerce. He has more than 59 years of rich experience in the textile and woollen industry. Presently, he is serving as Chairman & Managing Director of Monte Carlo Fashions Ltd. and M/s. Oswal Woollen Mills Limited and also holds the position of Chairman on the Board of various other Group Companies.

**(2) Past Remuneration (last two years)**

(Amount in Rs.)

Particulars	Financial year (2022-23)	Financial Year (2021-22)
Salary	-----	-----
Perquisite and Allowances	-----	-----
Advisory Fee	46,006,548.00	47,882,394.00
Retirement Benefits	-----	-----
Sitting Fees	30,000.00	40,000.00
<b>Total</b>	<b>46,036,548.00</b>	<b>47,922,394.00</b>

**(3) Recognition or Awards**

Under the dynamic leadership of Mr. Jawahar Lal Oswal, the Company has been awarded several Export awards and trophies by the TEXPROCIL and Apparel Export Promotion Council and the Government of India.

**(4) Job profile and his suitability**

Mr. Jawahar Lal Oswal is a Non-Executive Director/Chairman of the Company. His association started with the Company as Director of the Company in the year 1992. He was appointed as a Chairman by the Board and is continuing as a Non-Executive Chairman as on date. As a Non-Executive Chairman, Mr. Jawahar Lal Oswal has been serving as mentor for the Board, Managing Director and Senior Management especially in devising export sales and promotion strategies. He provides



feedback and counsel to the Managing Director and Senior Management on key issues. He has played a pivotal role in charting the Company's strategy for expanding its operations in the Global Markets. Having regard to his textile knowledge and business experience, he is the best suited person for the job.

**(5) Payment Proposed**

The remuneration proposed has already been given in the Special Resolution at Item No. 6 of the accompanying Notice of Annual General Meeting. However in case of inadequacy of profits, the said remuneration will be paid as minimum remuneration.

**(6) Comparative payment profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)**

Considering the size of the Company, the profile of Mr. Jawahar Lal Oswal and the industry benchmarks, the payment proposed to be paid to him commensurate with the payment being made to persons at similar level in other companies.

**(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any**

Mr. Jawahar Lal Oswal belongs to promoter category. He is also a relative to Mr. Dinesh Oswal, Managing Director and Mr. Kamal Oswal, Director of the Company. Besides the payment proposed and sitting fees for attending Board Meeting, Mr. Jawahar Lal Oswal, does not have any other pecuniary relationship with the Company or with the Managerial Personnel.

**III. OTHER INFORMATION:**

• **Reasons for loss or inadequate profits**

The Company has earned a Net Profit of Rs. 11079.25 Lakhs for the year ended 31st March, 2023. During the year under review, ongoing conflict between Russia & Ukraine coupled with Global demand recession has impacted company's performance. High cotton prices and drastic fall in the prices of the yarns during the year under review further aggravated the problems for the spinning industry.

• **Steps taken or proposed to be taken for improvement**

The management is quite hopeful that with the improvement in global demand and opening up of global economies will definitely give push to the prospect of textile industry. The industry on their part continuously modernizing and

upgrading its technology to maintain its core competence and convert it into the competitive edge over others.

• **Expected increase in the productivity and profits in the measurable terms.**

Currently, it is not feasible to predict with accuracy the expected increase in the productivity and profits in the measurable term. However with the improvement in the economic activity at the Global and Domestic level, your Management expects that the productivity and profits will improve in coming period. With the improvement in business cycle, the textile industry is expected to perform reasonably well in the coming period.

**IV. DISCLOSURES:**

The Company has provided all the disclosures in Corporate Governance Report as required under Section II of Part II of Schedule V of the Companies Act, 2013.

**ITEM NO. 7**

The members of the Company at the Annual General Meeting held on 30<sup>th</sup> day of September, 2014, had accorded, by way of special resolution, their approval to the Board of Directors of the Company, for borrowing monies on behalf of the Company, from time to time up to an aggregate amount of Rs.1500.00 Crores (Rupees One Thousand Five Hundred Crores) only, notwithstanding the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed from the aggregate of the paid up share capital of the Company and its free reserve and securities premium not set apart for specific purpose. However, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company can exercise such powers only with the approval of Members of the Company by way of Special Resolution. Having regard to Company's requirement of funds for its growth plans & future expansion program, consent and approval of the shareholders is being sought for increasing the said borrowing limit from Rs. 1500.00 Crores (Rupees One Thousand Five Hundred Crores) to Rs. 2000.00 Crores (Rupees Two Thousand Crores) only.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for your approval.

**ITEM NO.8**

Since the borrowings of the Company are generally



required to be secured by way of creation of mortgage and/or charge and/or hypothecation and/or pledge and/or assignments and/or lien on all or any other movable and/or immovable properties of the Company both present and/or future. The members of the Company at the Annual General Meeting held on 30<sup>th</sup> day of September, 2014, had accorded by way of special resolution their approval to the Board of Directors of the Company for securing the borrowings and financial assistance not exceeding Rs. 1500 crores (Rupees One Thousand Five Hundred Crores) only. Now, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, the consent of the shareholders is sought for authorising the Board to create mortgage and/or charge and/or hypothecation and/or pledge over the property of the Company, both present and future to secure the borrowings or financial assistance upto an aggregate amount not exceeding Rs. 2000.00 Crores (Rupees Two Thousand Crores) only.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives may be deemed to be concerned or interested in the proposed resolution.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for your approval.

**Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment:**

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

<b>1. Name</b>	Mr. Dinesh Gogna
<b>Age</b>	70 Years
<b>Qualification</b>	BA, LLB
<b>Expertise</b>	Having more than 46 years of experience in Corporate Finance and Taxation

**Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Dinesh Gogna holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2023:**

**Directorship of Board:**

Sr.No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Director
2	Nahar Poly Films Limited	Director
3	Nahar Capital And Financial Services Limited	Director
4	Monte Carlo Fashions Limited	Director
5	Oswal Leasing Limited	Director

**Chairmanship of Board Committees:**

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Ltd.	Stakeholder's Relationship Committee
2	Monte Carlo Fashions Ltd.	Stakeholder's Relationship Committee

**Membership of Board Committees:**

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Capital and Financial Services Ltd.	Risk Management Committee CSR Committee Share Transfer Committee
2	Nahar Poly Films Ltd.	Audit Committee CSR Committee Share Transfer Committee Stakeholder Relationship Committee
3	Nahar Industrial Enterprises Ltd.	Audit Committee CSR Committee
4	Monte Carlo Fashions Ltd.	Audit Committee Nomination & Remuneration Committee Risk Management Committee CSR Committee Share Transfer Committee
5	Oswal Woolen Mills Ltd.	Audit Committee Shareholder's Committee

**Listed entities from which the Director has resigned in the past three years: Nil**

**Shareholding in the Company: Nil**

**Disclosure of relationship between Directors interse: Nil**

<b>2. Name</b>	Mr. Kamal Oswal
<b>Age</b>	61 Years
<b>Qualification</b>	B.Com
<b>Expertise</b>	Having more than 41 years of experience in Textile & Woollen Industry

**Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Kamal Oswal holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2023:**

**Directorship of Board:**

Sr.No.	NAME OF THE COMPANY	STATUS
1	Nahar Industrial Enterprises Limited	Director
2	Nahar Poly Films Limited	Director
3	Nahar Capital And Financial Services Limited	Director
4	Oswal Leasing Limited	Director



**Chairmanship of Board Committees:**

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Ltd.	CSR Committee

**Membership of Board Committees:**

Sr.No.	NAME OF THE COMPANY	COMMITTEE
1	Nahar Industrial Enterprises Ltd.	Stakeholder's Relationship Committee

Listed entities from which the Director has resigned in the past three years: Nil

Shareholding in the Company: 24750 Equity Shares of Rs.5/- each

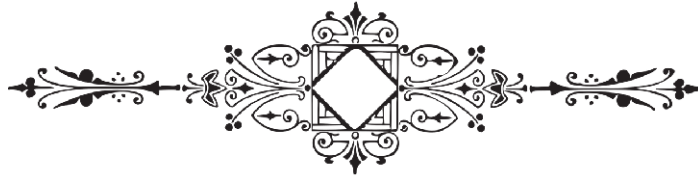
Disclosure of relationship between Directors inter-se: Mr. Kamal Oswal is son of Mr. Jawahar Lal Oswal and brother of Mr. Dinesh Oswal.

**BY ORDER OF THE BOARD**

Dated: 9<sup>th</sup> August, 2023

**BRIJ SHARMA**  
(COMPANY SECRETARY)  
Mem. No. FCS 2458

REGISTERED OFFICE:  
373, Industrial Area-A,  
Ludhiana -141003(India)  
CIN: L17115PB1980PLC004341  
E-mail: secnsm@owmnahar.com





**DIRECTORS REPORT**

**Dear Members,**

Your Directors have pleasure in presenting the **Forty-Third Annual Report** on the affairs of the Company for the financial year ended 31<sup>st</sup> March, 2023.

**FINANCIAL PERFORMANCE**

Your Company's Financial Performance during the year is summarized below:

PARTICULARS	Rs. in Crores	
	CURRENT YEAR	PREVIOUS YEAR
<b>Total Income (Operational and Other Income)</b>	<b>2841.22</b>	3608.37
Less: Total Expenses	<b>2686.54</b>	2933.10
<b>Profit before tax and Exceptional Items</b>	<b>154.68</b>	675.27
Less: CSR Expenses	<b>4.34</b>	0.54
<b>Profit before tax</b>	<b>150.34</b>	674.73
Less: Tax expenses (including deferred tax)	<b>39.55</b>	172.54
<b>Net Profit from continuing operations</b>	<b>110.79</b>	502.19

**INDIAN ACCOUNTING STANDARD**

The Company has adopted Indian Accounting Standards (Ind AS) and the financial statements have been prepared as per the Indian Accounting standard Rules, 2015, as prescribed under Section (133) of the Companies Act, 2013 read with relevant Rules issued thereunder and the other Accounting Principles generally accepted in India.

**EXPANSION CUM MODERNISATION**

Before, reviewing the financial performance of the company, we are pleased to inform you that Company's expansion plans are going as per schedule. As regard, company's expansion plan of spinning unit at village Lalru, S.A.S Nagar, Building work has already been completed and the machineries has started arriving at site. Ten Ring frames of 1632 spindles each i.e. 16320 spindles has already been installed and the balance 14880 spindles are likely to be installed by November/ December, 2023. On completion of expansion plans, company's spindle capacity will stand increase to 5,73,376 spindles and 1080 rotors.

We are also pleased to inform you that company's modernisation programme of spinning unit at Jitwal Kalan, Malerkotla, Distt. Sangrur has already been implemented. The company's has already installed 8 Vortex machines with 96 positions each and the same have become operational. This will lead to increase in production capacity by 40,000 tons p.a.

**OPERATIONAL REVIEW AND STATE OF AFFAIR**

We would like to inform you that Company operates in a single segment i.e. "TEXTILE" as such disclosure requirements as per Indian Accounting Standard (Ind AS) 108 issued by the Institute of Chartered Accountants of India, New Delhi, are not applicable.

Before reviewing the operational performance, we would like to inform you that ongoing conflict between Russia & Ukraine coupled with Global demand recession has impacted company's performance during the year. High cotton prices and drastic fall in the prices of the yarns during the year under review further aggravated the problems for the spinning industry.

Because of the reasons stated above, company's top line as well as bottom line was severally impacted. The company could achieve a total income of Rs. 2841.22 crores showing a downfall of 21.26% as compared to previous year. Likewise, the export at Rs. 1135.16 crores has also shown a decline of 47.82% when compared with the previous year. The company could earn a profit before tax of Rs.150.34 crores only as against profit of Rs. 674.73 crores showing a drastic fall of 77.72% as compared to previous year. After providing tax expense (including deferred tax charge) of Rs. 39.55 crores, Company earned a net profit of Rs.110.79 crores as against profit of Rs. 502.19 crores showing a fall of 77.94% as compared to previous year. We may inform you that last year was the excellent year for Textile Industry.

During the current year, uncertain Global situation and demand recession are causing a worrisome situation. Your management is hopeful that things will start improving in the second half of the year and company will be able to achieve reasonable growth in coming periods.

**TRANSFER TO RESERVES**

During the year the company has not transferred any amount to Reserves and has kept the net profit of Rs. 110.79 crores in the retained earning in the financial statements of the company. Thus, the Company's Reserves (other equity) stands at Rs. 1535.84 crores as on 31st March, 2023.

**DIVIDEND AND DIVIDEND DISTRIBUTION POLICY (DDP)**

We are pleased to inform you that your Board in its meeting held on 30<sup>th</sup> May, 2023 has recommended a dividend of Rs. 1.50/- per equity shares of Rs. 5/- each (i.e. @ 30%) for the year ended 31st March, 2023, out of the profits of the company. The proposal is subject to the approval of the shareholders at the ensuing Annual General Meeting.



The dividend, if approved at the forthcoming Annual General Meeting, will be paid out of the Profits of the Company for the year under reference, to all those shareholders whose names shall appear in the Register of Members on 8th September, 2023 or Register of beneficial Owners, maintained by the Depositories as at the close of 8th September, 2023. Further, as per the Finance Act, 2020 dividend income is taxable in the hands of members w.e.f. April 1, 2020 and the Company is required to deduct tax at source (TDS) from the dividend payable to the members at the prescribed rates as per the Income Tax Act, 1961.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, top 1000 listed companies determined on the basis of Market Capitalization as at the end of the immediate financial year are required to formulate a dividend distribution policy. The Board of Directors in their meeting held on 31<sup>st</sup> May, 2021 has already approved and adopted dividend distribution policy to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy is available on the website of the Company at [http://www.ownahar.com/spinning/pdf/policy\\_for\\_determination\\_of\\_materiality.pdf](http://www.ownahar.com/spinning/pdf/policy_for_determination_of_materiality.pdf)

#### **INVESTOR EDUCATION AND PROTECTION FUND**

Pursuant to the provisions Section 124(5) of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 all dividend remaining unpaid or unclaimed for period of seven consecutive years is required to be transferred to the Investor Education Protection Fund (IEPF) established by the Central Government.

Accordingly, the Company has transferred an amount of Rs.1080420.00/- (Rupees Ten Lakhs Eighty Thousand Four Hundred Twenty only) being the amount of unclaimed dividend for the year 2014-15 to the Investor Education and Protection Fund in November, 2022. The shareholders whose dividends have been transferred to IEPF Authority can claim their dividend from the Authority. Further, unpaid or unclaimed dividend for the year 2015-16 will have to be transferred to the Investor Education and Protection Fund in November, 2023. The Company has already sent emails / notices in the month of May, 2023 to the members informing them to claim the Unclaimed Dividend before such transfer of dividend to the IEPF Authority.

Besides, as per the provisions of Section 124 (6) of the

Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the equity shares on which dividend remains unpaid or unclaimed by the shareholders for seven consecutive years or more is required to be transferred to the Demat Account of the IEPF Authority. Accordingly in compliance of the provisions of the Act, 46460 (Forty Six Thousand Four Hundred Sixty only) equity shares of Rs. 5/- each were transferred to the DP/Client ID IN300708/10656671 opened in the name of the Investor Education and Protection Fund Authority. The details of the shareholders whose shares are proposed to be transferred to the Demat account of IEPF Authority in November, 2023 is available on company's website <http://www.ownahar.com/spinning/transfer-of-equity-shares-to-IEPF.php> and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in). The Company has already sent notices to shareholders to claim the dividend if any.

We are pleased to inform that Shareholders can reclaim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at [www.iepf.gov.in](http://www.iepf.gov.in)

#### **DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted their declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There have been no changes in the circumstances affecting their status as Independent Directors of the Company.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **• Appointment / Retirement of Directors**

During the year under review, Dr. Suresh Kumar Singla (DIN: 00403423) and Dr. Amrik Singh Sohi (DIN: 03575022) were relieved from the office of Independent Director on the expiry of their second term of office w.e.f. September 26, 2022. The Board of Directors placed on record their appreciation for the valuable services rendered by Dr. Suresh Kumar Singla and Dr. Amrik Singh Sohi during their tenure. Dr. Yash Paul Sachdeva (DIN: 06443747) and Dr. Anchal Kumar Jain (DIN: 09546925) were appointed as Independent Directors of the Company w.e.f. August 24, 2022 to hold office for five consecutive years for a term i.e. upto August 23, 2027.



- **Re-appointment of Directors**

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Article 117 of Article of Association of the Company, Mr. Dinesh Gogna (DIN: 00498670) and Mr. Kamal Oswal (DIN: 00493213) will be retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The resolutions seeking shareholders approval for their re-appointment alongwith the other required detail form part of the notice. The Board recommend their re-appointment to the members of the Company at the ensuing Annual General Meeting.

- **Key Managerial Personnel**

Pursuant to the provisions of Section 203 of the Companies Act, 2013, Mr. Dinesh Oswal Managing Director, Mr. Anil Garg, Chief Financial Officer and Mr. Brij Sharma, Company Secretary are the Key Managerial Personnel (hereinafter referred as KMP) of the Company and there has been no change in the KMP since the last fiscal year.

**BOARD EVALUATION**

The provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandate that a formal annual performance evaluation is to be made by Board of its own performance and that of its Committees and individual Directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of the Independent Director shall be done by Directors excluding the Director being evaluated.

The Board carried out a formal annual performance evaluation as per the criteria/framework laid down by the Nomination and Remuneration Committee of the Company and adopted by the Board. The evaluation was carried out through a structured evaluation process to evaluate the performance of individual directors including the Chairman of the Board. They were evaluated on parameters such as their education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgement for safeguarding the interest of the Company, stakeholders and its shareholders. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The outcome of the Board Evaluation for the Fiscal 2023 was discussed by the Nomination and remuneration Committee in its meeting held on 30<sup>th</sup> May, 2023 and

Board in its meeting held on 30<sup>th</sup> May, 2023.

The Board was satisfied with the evaluation process and approved the evaluation results thereof.

**CORPORATE POLICIES:**

As per SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the listed Companies are required to formulate certain policies. As a good corporate entity, the Company has already formulated several corporate governance policies and the same are available on the Company's website i.e. [www.owmnahar.com](http://www.owmnahar.com). The said policies are reviewed periodically by the Board to make them in compliance with the new Regulations/requirements.

The Company has adopted certain policies, the details of which are given hereunder:

Name of the Policy	Brief Description
<b>Appointment &amp; Remuneration Policy</b>	Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors has approved and adopted the Policy for Appointment and Remuneration of Directors, Key Managerial Personnel and other employees as recommended by Nomination and Remuneration Committee. The policy formulates the principle and criteria for determining qualification, competence, positive attributes, integrity and independence etc. for Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) and employees of the Company. The Policy also laid down the criteria for determining the remuneration of Directors, Key Managerial Personnel and other employees. The Policy has been uploaded on the Company's website and can be accessed at <a href="http://www.owmnahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf">http://www.owmnahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf</a>
<b>Corporate Social Responsibility Policy</b>	Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the CSR Committee formulated the CSR Policy which was adopted by the Board. The CSR policy



	<p>outlines the various programmes/projects/activities to be undertaken by the Company as laid down in schedule VII of the Companies Act, 2013 relating to promoting education, healthcare, environment, hunger, poverty etc. The Policy has been uploaded on the Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf">http://www.ownahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf</a></p>		<p>ii. Code of conduct to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons</p> <p>The Codes help to regulate trading in securities by the designated persons and immediate relatives of designated persons. The Code requires preclearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Policy has been uploaded on the Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/code-of-practices.pdf">http://www.ownahar.com/spinning/pdf/code-of-practices.pdf</a></p>
<b>Whistle Blower Policy</b>	<p>Pursuant to the provisions of Section 177 of the Companies Act, 2013 Company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its Directors and employees. The aim of the policy is to provide a channel to the Directors and employees to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct. The Policy has been uploaded on the Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/vigil_mechanism.pdf">http://www.ownahar.com/spinning/pdf/vigil_mechanism.pdf</a></p>	<b>Policy for Preservation of documents</b>	<p>The Board of directors in their meeting held on 10<sup>th</sup> February, 2016 has approved and adopted the policy for Preservation of documents. The policy segregates the documents to be preserved permanently and documents to be preserved at least for a period of eight years as per requirements of applicable laws.</p>
<b>Policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions</b>	<p>Pursuant to the requirements of regulation 23 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has approved a policy on Materiality of Related Parties Transactions and Dealing with Related Party Transactions. The Policy regulates the transaction between the Company and its Group Companies and related parties. The policy has been uploaded on Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2022.pdf">http://www.ownahar.com/spinning/pdf/RPT-NAHAR-SPINNING-2022.pdf</a></p>	<b>Archival Policy</b>	<p>Pursuant to the requirements of Regulation 30(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Archival Policy in its Meeting held on 10<sup>th</sup> February, 2016. The policy ensure protection, maintenance and archival of Company's disclosures, documents and records that are placed on Company's website i.e. <a href="http://www.ownahar.com/spinning/about.php">http://www.ownahar.com/spinning/about.php</a></p>
<b>Insider Trading Policy</b>	<p>Pursuant to the SEBI (Prohibition of Trading Policy Insider Trading) Regulations, 2015 as amended from time to time, the Board has adopted the following Codes to provide framework for dealing in the Securities of the Company by the Insiders:</p> <p>i. Code of practices and procedures for fair disclosure of unpublished price sensitive information</p>	<b>Board Diversity Policy</b>	<p>The Board of Directors in their Meeting held on 12<sup>th</sup> November, 2014 has approved and adopted the Board Diversity Policy as per the recommendation of Nomination and Remuneration Committee. The policy envisages diversification of Company's Board in respect of age, knowledge, experience and expertise.</p>



<b>Dividend Distribution Policy</b>	Pursuant to the requirements of regulation 43A of SEBI (Listing Obligation and Disclosure Requirements) (Second Amendment) Regulations 2021, the Board of Directors in their Meeting held on 31 <sup>st</sup> May, 2021 has approved and adopted the Dividend Distribution Policy. The policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy has been uploaded on Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/dividend_distribution.pdf">http://www.ownahar.com/spinning/pdf/dividend_distribution.pdf</a>
<b>Risk Management Policy</b>	As per the provisions of Regulation 21 of Management SEBI (Listing Obligation Disclosure Policy Requirements) (Second Amendment) Regulations, 2015, the Company falls under the top 1000 list of listed entities determined on the basis of market capitalization as at the end of immediate financial year. The Company's ranking is 990 on the basis of the market capitalization as on 31 <sup>st</sup> March, 2023 at NSE. Accordingly, in compliance of the said LODR Regulations, company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management plans for the company. The policy has been uploaded on Company's website and can be accessed at <a href="http://www.ownahar.com/spinning/pdf/risk-management-policy-22.pdf">http://www.ownahar.com/spinning/pdf/risk-management-policy-22.pdf</a>

Chairman. Sh. Dinesh Oswal is a Managing Director. There are four Non Executive Directors and five are Independent Directors out of which one Director namely; Dr. (Mrs.) Manisha Gupta is Women Director on the Board.

The Company's Policy of Appointment and Remuneration includes criteria for determining Qualification, Positive Attributes, Independence of Directors and other matters, as required under sub Section 3 of Section 178 of the Companies Act, 2013. The policy also laid down the criteria for determining the remuneration of Directors, Key Managerial Personnel and other employees. The Appointment and Remuneration Policy of the Company is available on the Company's website and can be accessed at <http://ownahar.com/spinning/pdf/NSMLAPPOINTMENTANDREMUNERATIONPOLICY.pdf>. There has been no change in the Policy since the last fiscal year. We affirm the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration policy of the Company.

#### **SEPARATE MEETING OF INDEPENDENT DIRECTORS**

The Company's Independent Directors held their meeting on 9<sup>th</sup> November, 2022 without the attendance of Non Independent Directors and members of the management. All Independent Directors were present at the meeting. At the meeting they:

1. Reviewed the performance of Non-Independent Directors and the Board as a whole.
2. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
3. Assessed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

#### **APPOINTMENT AND REMUNERATION POLICY**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for Appointment and Remuneration of Directors, Senior Management and other employees as provided under Section 178(3) of the Companies Act, 2013. The objective of the Policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of Governance and Management. The present Board consists of ten members Sh. Jawahar Lal Oswal is Non-Executive

#### **FAMILIARISATION PROGRAMS FOR BOARD MEMBERS**

At the time of appointing a Director, the Company issues a formal letter of appointment which inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All Independent Directors are provided with all Policies/Guidelines as framed by the Company under various statutes and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to familiarize with Company's procedure and practices. Further, to update them on the regular basis, the



Company provides copies of all amendments in Corporate Laws, Corporate Governance Rules and SEBI (Listing Obligations and Disclosure Requirements) Regulations. The details of the Company's policy on Familiarization Programs conducted during the year under review for Independent Directors are posted on the Company's website and can be assessed at: <http://www.ownahar.com/spinning/pdf/Familiarization-Program.pdf>

#### **NO. OF BOARD MEETINGS**

During the year under review, the Board of Directors met four times i.e. 25<sup>th</sup> May, 2022, 23<sup>rd</sup> July, 2022, 10<sup>th</sup> November, 2022 and 4<sup>th</sup> February, 2023 with a predefined agenda circulated well in advance. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **RELATED PARTY TRANSACTIONS**

Your Company is engaged in the Manufacture & Exports of yarns and knitted garments. Likewise some Group Companies (which are public limited Companies) are also engaged in the Textile Industry. Because of nature of Industry, sometimes sale/purchase/fabrication jobs etc. transactions takes place between the Group Companies, in the ordinary course of business on Arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. 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 of interest with the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014. However, the transactions entered into with the Group Companies, during the year under review, has been given in Notes to the financial statements in accordance with the Accounting Standards.

The Company has not entered into any contract or arrangement with the related parties as referred in Section 188(1) of the Companies Act, 2013 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2023. Thus the requirement for disclosure of particulars of contracts or arrangement with related parties referred to in Section 188(1) is not applicable. However, as per Company's policy, all the Group Companies transactions regarding sales/purchase etc. are placed

before the Audit Committee as well as the Board, for their information and approval.

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

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this report.

#### **SHARE CAPITAL**

The Paid up equity share capital of the Company as on 31<sup>st</sup> March, 2023 is Rs. 1803.27 Lakhs. During the year under review, Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor granted any stock options or sweat equity under any scheme.

#### **SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

#### **PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not provided any Guarantee under Section 186 of the Companies Act, 2013. However, the details of Loans and Investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in the Annual Report.

#### **CORPORATE SOCIAL RESPONSIBILITY(CSR)**

As reported in our earlier reports, Company adopted CSR Policy and decided to undertake CSR Activity in collaboration with Group Companies under one umbrella through Oswal Foundation which is a Registered Society formed in 2006, having its charitable objects in various fields. The details of the CSR policy are available on the Company's website i.e. <http://www.ownahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf>.

During the year under review, to meet its obligation of CSR under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company was required to spend an amount of Rs. 434 Lakhs (being the 2% of the average net profits made during the



three immediate preceding financial years on CSR activities. The Company paid an amount of Rs. 10 lakhs to Team Work Welfare Foundation, Bhopal, a registered society with the Ministry of Corporate Affairs under Rule 4(2) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 with vide Registration No. CSR00009185 for undertaking sports activities. The said amount was paid for organizing Tennis Ball Cricket Tournament- (Khelo Jee Jaan Se).

Further, the company has contributed an amount of Rs. 500 Lakhs to Oswal Foundation, a registered society with vide Registration No. CSR0000145 for undertaking CSR activities. The Foundation has undertaken Health Care Project. The company's total CSR Obligation for the year 2022-23 is Rs. 434 Lakhs only and thus the excess amount of Rs. 76 Lakhs will be set off against company's next year's CSR obligation.

The disclosure in respect of the existing CSR Activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of the Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014, is annexed hereto as "Annexure I" and forms part of this Report.

#### **AUDIT COMMITTEE**

As required under Section 177 of the Companies Act, 2013, the Board of Directors has already constituted Audit Committee consisting of three Non-Executive Directors under the chairmanship of Dr. Vijay Asdhir, Sh. Dinesh Gogna and Dr. Roshan Lal Behl are the two other members of the committee. During the year under review, Dr. S.K. Singla ceased to be the member of Audit Committee on the expiry of his term of office w.e.f. 26<sup>th</sup> September, 2022. Mr. Brij Sharma is the Secretary of the Committee. The Committee held four meeting during the year. During the year under review, the Board has accepted all the recommendations of the Audit Committee.

#### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, the Company established a Vigil Mechanism process as an extension of Company's Code of Conduct whereby any employee, directors, customers, vendors etc., can report the genuine concerns or grievances to the members of the Audit Committee about unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct so that appropriate action can be taken to safeguard the interest of the

Company. The Mechanism also provides for adequate safeguards against victimization of persons who uses such mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website. The Company has a dedicated e-mail address i.e. [whistleblowersmml@owmnahar.com](mailto:whistleblowersmml@owmnahar.com) for reporting the genuine concerns. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at [http://www.owmnahar.com/spinning/pdf/vigil\\_mechanism.pdf](http://www.owmnahar.com/spinning/pdf/vigil_mechanism.pdf).

The Audit Committee regularly reviews the working of the Mechanism. No complaint was received during the year under review.

#### **SUBSIDIARY, JOINT VENTURE OR ASSOCIATES COMPANY**

The Company does not have any subsidiaries, joint venture and Associates Company during the year under review.

#### **CREDIT RATING**

We would like to inform you that Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/300986/CP/0922/42085 dated September 01, 2022 has reaffirmed Company's rating outlook on the long term bank facilities 'CRISIL A/Stable'. The rating on short-term bank facility has been reaffirmed at 'CRISILA1'.

#### **GREEN INITIATIVE**

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Further, as per the provisions of Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative.

Accordingly, Company propose to send documents such as Notice of General Meetings, Annual Report and other communications to its shareholders via electronic mode to the registered E-mail addresses of the shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest E-mail addresses with their depository Participant (D.P.) with whom they are having Demat Account or send the same to the Company via E-mail at: [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com) or [gredressalnsml@owmnahar.com](mailto:gredressalnsml@owmnahar.com)



ownnahar.com. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the Environment.

**LISTING OF SECURITIES**

The securities of the Company are presently listed on the following Stock Exchanges:

- i. The BSE Ltd., 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.
- ii. The National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, BandraKurla Complex, Bandra (E), Mumbai - 400051.

The Company has paid listing fee to both the Stock Exchanges for the financial year 2023-24.

**DEMATERIALISATION OF SECURITIES**

Your Company has established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd (CDSL) to facilitate the holding and trading of securities in electronic form. As on 31st March, 2023, 98.31% of the total Equity Share Capital of the Company has been dematerialized.

Pursuant to Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with the Depository. Hence, all members, who are holding equity shares in physical form, are requested to go in for dematerialization of securities at the earliest.

Further, the Company has appointed M/s Alankit Assignments Ltd., as Registrar for Share Transfer and Electronic connectivity. Accordingly all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, demat/remat, change of address etc. to our registrar at below mentioned address:

M/s Alankit Assignments Limit  
(Unit: Nahar Spinning Mills Limited)  
Alankit House, 4E/2, Jhandewalan Extension  
New Delhi – 110 055  
Telephone No. : (011) 42541234  
Fax No. : (011) 23552001  
E-mail address: rta@alankit.com

In case any query/complaint remains unresolved with our Registrar please write to Company Secretary at the Registered Office of the Company.

**DIRECTORS RESPONSIBILITY STATEMENT**

The Directors would like to assure the Members that the financial statements for the year under review, confirm in their entirety to the requirements of Companies Act, 2013. Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge & ability, confirm that:

- i. In preparation of the Annual Accounts, the applicable Accounting Standards had been followed alongwith proper explanations relating to material departures;
- ii. They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- iii. They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They had prepared the Annual Accounts on a going concern basis.
- v. That the directors, in the case of a listed Company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**AUDITORS & AUDITOR'S INDEPENDENT REPORT****STATUTORY AUDITORS**

The members at the Annual General Meeting held on 24<sup>th</sup> August, 2022 appointed M/s. Gupta & Vigg Co., Chartered Accountants (Firm Registration No. 001393N) as Statutory Auditors of the Company for a term of 5 (Five) consecutive years to hold the office from the conclusion of 42<sup>nd</sup> Annual General Meeting upto the conclusion of 47<sup>th</sup> Annual General Meeting of the company to be held in the year 2027.

**AUDIT REPORT**

The Statutory Auditors have submitted Audit Report





on the Financial Statements of the Company for the financial year ended 31st March, 2023. There were no qualifications, reservations, adverse remarks or disclaimers in the Report. The observations and comments given by Auditors in their Report read together with the Notes to the Accounts are self explanatory and require no comments.

No frauds were reported by the Auditors under Section 143(12) of the Companies Act, 2013.

#### **COST AUDITORS**

We would like to inform you that the Ministry of Corporate Affairs vide Notification dated 31st December, 2014 amended Companies (Cost Records and Audit) Rules, 2014, pursuant to which, the company's business activities have been included within the purview of Cost Audit requirement. Accordingly, the company is maintaining Accounts and Costing Records. Further, the Board of Directors on the recommendation of Audit Committee has appointed M/s Ramanathlyer & Co. (Firm Registration No. 000019), Cost Accountant, as Cost Auditors of the Company for financial year 2023-24.

The remuneration of Rs.1.90 Lakhs (Rupees One Lakh Ninety Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred, payable to the Cost Auditors is required to be ratified by the members as per the provision of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014. Accordingly, a resolution for ratification of the remuneration of the Cost Auditors has been proposed in the notice of the ensuing Annual General Meeting for your approval.

#### **SECRETARIAL AUDITOR**

The Board, pursuant to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. P.S. Bathla & Associates, Practicing Company Secretaries, having Certificate of Practice No. 2585 as Secretarial Auditor to conduct Secretarial Audit for the financial year 2023-24.

M/s. P.S. Bathla & Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2023 and their Secretarial Audit Report in Form No. MR-3 is annexed hereto as Annexure II and form part of this Report.

The Secretarial Audit Report does not contain any qualification, reservations or adverse remarks and requires no comments.

#### **SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards (SS1 & SS2) relating to the meetings of Board of Directors and General meetings respectively issued by the Institute of Company Secretaries of India.

#### **BUSINESS RISK MANAGEMENT**

In compliance with the provisions of Regulation 21 of SEBI (LODR) (Second Amendment) Regulations, 2021 the company has formed a Risk Management Committee to frame, implement and monitor the risk management plans for the Company. The Risk Management Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. Anchal Kumar Jain and Dr. Roshan Lal Behl, Independent Directors of the company are the other two members of the Committee. During the year under review, Dr. S.K. Singla ceased to be the member of committee due to the expiry of his term w.e.f. 26th September, 2022. Accordingly, the Board of Directors in their meeting held on 23rd July, 2022 approved the appointment of Dr. Anchal Kumar Jain as a Member of committee w.e.f. 24th August, 2022. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness. The Risk Management Committee met two times during the year under review i.e. on 2<sup>nd</sup> May, 2022 and 24<sup>th</sup> October, 2022.

Your Board has formulated a Risk Management Policy. The Policy aims to identify, evaluate manage and monitor all types of risks associated with the business of the Company. The Board as well as Audit Committee regularly oversees the risk management process in the Company, as required under 134(3)(n) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Your Company is operating in Textile segment and has identified certain risks which may affect the performance of the Company. The risks associated with the textile industry are operational risks such as fluctuation in cotton prices, fluctuation in foreign exchange rates, Labour problems etc. There are also Regulatory risks, Global risks, Cyber Security risks. The Company's Risk Management Policy aims to suggest the steps to be taken to control and mitigate the risk associated with the Company's Business. We are of opinion that none of identified risk is such that which may threaten the existence of the Company. The Policy is also posted on Company's website and can be accessed at <http://www.owmnahar.com/spinning/pdf/risk-management-policy-22.pdf>

**INTERNAL FINANCIAL CONTROL**

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitation of speedy and accurate compilations of financial statements. The Company's Internal Financial Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliances with procedures, laws and regulations. The Company's Internal Control System commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control System and to automate the various processes of the business, Company is making use of SAP S4 HANA application, which is based on SAP HANA database. It keeps all the data in memory which results in data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

We wish to inform you that the period of the office of M/S Piyush Singla & Associates, Chartered Accountants, who were appointed as Internal Auditors of the Company for the FY 2022-23 has expired and because of their pre-occupation have expressed their inability to continue in the office for the next year. Accordingly, pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, Rules 2014, M/s Raj Gupta & Co., Chartered Accountants having Firm Registration No. 000203N appointed as Internal Auditors of the Company for the FY 2023-24.

The company is also having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year under review, company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non Executive Directors has been constituted. All the significant audit observations and follow up actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its

Powers) Rules, 2014.

**PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any Public Deposit within the meaning of Section 73, of the Companies Act, 2013 and the Rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

- i. Deposits accepted during the year: Nil
- ii. Deposits remained unpaid or unclaimed as at the end of the year: Nil
- iii. Default in repayment of deposits and deposits which are not in compliance with the Requirements of Chapter V of the Companies Act, 2013: N.A.

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

The Company has zero tolerance for sexual harassment for women at workplace and has adopted a policy against sexual harassment in line with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2022-23, the Company has not received any complaint on sexual harassment and hence no complaint remains pending as of 31st March, 2023.

**ANNUAL RETURN**

The Annual Return of the Company, pursuant to the provisions of Section 92(3) read with the Section 134(3)(a) of the Companies Act, 2013 with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2022-23 in the Form MGT-7 has been uploaded on Company's website at <http://www.owmnahar.com/spinning/pdf/Annual-Return-2022-2023.pdf>.

**STATEMENT UNDER SECTION 197 OF THE COMPANIES ACT, 2013**

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed as "Annexure



III” and form part of this report.

In terms of Section 197(14) of the Companies Act, 2013, the Company does not have any Holding Company. However, the details regarding remuneration received by Managing Director is also given in ANNEXURE III annexed hereto and form part of this report.

Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got shareholders approval vide Special Resolution dated 29th September, 2021 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026 to Sh. Dinesh Oswal, Managing Director of the Company. A remuneration of Rs. 17,25,52,705/- (including commission and perks) (Rupees Seventeen Crore Twenty Five Lakh Fifty Two Thousand Seven Hundred Five Only) has been paid to Mr. Dinesh Oswal, Managing Director of the Company for financial year 2022-23. Mr. Dinesh Oswal is 58 years of age. He is a Commerce Graduate and has business experience of more than 39 years in textile industry and financial expertise. He is employed on contractual basis for five years w.e.f 1st January, 2022 to 31st December, 2026. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Commercial Manager. His shareholding in the Company is 123766 equity shares of Rs. 5/- each. He is related to Mr. Jawahar Lal Oswal, Chairman, Mr. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, President of the Company.

Mr. Jawahar Lal Oswal, Chairman/Director of the Company has been paid sitting fee and payment @0.35% of company's exports sale as per the approval of the shareholders vide their special resolution dated September, 2021. Mr. Jawahar Lal Oswal is 79 years of age. He is a Commerce Graduate and has business experience of more than 59 years in Textile and Woollen Industry. He is providing Expert Services and acting as a mentor for the company w.e.f 1st October, 2021. Before joining the Company, he was employed with M/s. Oswal Woollen Mills Ltd. as Managing Director. His shareholding in the Company is 90374 equity shares of Rs. 5/- each. He is related to Mr. Dinesh Oswal, Managing Director, Mr. Kamal Oswal, Director, Mrs. Ritu Oswal, Export Advisor and Ms. Tanvi Oswal, Vice President of the Company.

No other employee was in receipt of remuneration exceeding the limits as provided under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

The detailed information as required under Section 134(3) of the Companies Act, 2013 read with Sub Rule 3 of the Rule 8 Companies (Accounts) Rules, 2014, is enclosed as per Annexure-IV and forms part of this report.

### **REPORT ON THE CORPORATE GOVERNANCE**

Your Company continues to follow the principles of good Corporate Governance. Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. The Company has already constituted several committees of directors to assist the Board in good Corporate Governance. The Corporate Governance Report alongwith the Auditors Certificate regarding compliance of the conditions of the Corporate Governance as stipulated in part C of Schedule VI of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed hereto as Annexure-V and form part of the Annual Report.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review as per SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is enclosed as per Annexure-VI and form part of this Report.

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The Securities and Exchange Board of India (SEBI) as per its Regulation 34(2)(f) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the inclusion of a Business Responsibility and Sustainability Report (herein after referred to as BRSR) as part of Company's Annual Report for top 1000 listed entities based on market capitalization which indicates Company's performance against the principles of the National Guidelines on Responsible Business Conduct, in the format as specified by SEBI from time to time. The Company has been ranked at No. 990 on the basis of Market Capitalization, calculated on the basis of price of



equity share as on March 31, 2023 at NSE. Accordingly, Business Responsibility and Sustainability Report is annexed hereto as “Annexure VII” and forms part of this Report.

#### **HUMAN SOURCE/INDUSTRIAL RELATIONS**

The Company recognizes human resource as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company has a team of able and experienced professionals to look after the affairs of the Company. The Company's employees at all levels have extended their whole hearted co-operation for the excellent performance of the Company.

#### **ACKNOWLEDGEMENT**

The Board of Directors of the Company wish to place on record their thanks and appreciation to all workers, staff members and executives for their contribution to the operations of the Company. The Directors are thankful to the Bankers, Financial Institutions for their continued support to the Company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

#### **FOR AND ON BEHALF OF THE BOARD**

**Place: Ludhiana**

**Dated: 9<sup>th</sup> August, 2023**

**JAWAHAR LAL OSWAL**

**(CHAIRMAN)**

**DIN: 00463866**





**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended)

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

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Committee framed the Corporate Social Responsibility Policy (CSR Policy) and the same was adopted by the Board of Directors on 11th August, 2014. As per policy, the Company joined hands with group companies under one umbrella to undertake the CSR Projects through Oswal Foundation. Oswal Foundation is a registered society formed in the year 2006 having its charitable objects in various fields. It has already registered with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities. The CSR policy is also available on the Company's website at the link: <http://www.owmnahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf>.

**2. Composition of CSR Committee:**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company's Corporate Social Responsibility (CSR) Committee comprises of three members under the Chairmanship of Mr. Dinesh Oswal, Managing Director. Dr. Yash Paul Sachdeva, Independent Director and Mr. Dinesh Gogna, a Non Executive Director of the company, are the two other members of the Committee.

During the year under review, Dr. S.K. Singla ceased to be the member of the Committee on the expiry of his term w.e.f. 26th September, 2022. Accordingly, the Board of Directors in their meeting held on 23rd July, 2022 approved the appointment of Dr. Yash Paul Sachdeva as a member of the Committee w.e.f. 24th August, 2022.

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Dinesh Oswal	Chairman (Managing Director)	2	2
2.	*Sh. S.K. Singla	Member (Independent Director)	2	1
3.	Sh. Dinesh Gogna	Member (Director)	2	2
4.	@Dr. Yash Paul Sachdeva	Member (Independent Director)	2	-

\*On expiry of term of office of Dr. S.K. Singla on 26<sup>th</sup> September, 2022, ceased to be the director as well as member of the committee.

@Dr. Yash Paul Sachdeva an Independent Director, was appointed as member of committee w.e.f 24<sup>th</sup> August, 2022.

**3. Web-links where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

Composition of CSR committee	<a href="http://www.owmnahar.com/spinning/committees-of-directors.php">http://www.owmnahar.com/spinning/committees-of-directors.php</a>
CSR Policy	<a href="http://www.owmnahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf">http://www.owmnahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf</a>
CSR projects approved by the Board	<a href="http://www.owmnahar.com/spinning/pdf/CSR-Project-NSML.pdf">http://www.owmnahar.com/spinning/pdf/CSR-Project-NSML.pdf</a>

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014**

As per sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, the Company is not required to undertake impact assessment, through an independent agency of their CSR projects. However, to monitor and supervise the CSR projects undertaken by the Oswal Foundation, the Board/CSR Committee has entrusted the responsibility to one of its committee member. The member conducts the impact assessment of the CSR projects undertaken by Oswal Foundation and reports the same to the CSR committee as well as the Board.

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

**6. Average net profit/loss of the company for last three financial years as per section135(5) of the Act:**

Average net profit of the company for last three financial years: Rs.21691.54 Lakhs

**7. (a) Two percent of average net profit of the company as per section135(5)of the Act –Rs. 434.00 Lakhs**

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financials years. - Nil**

**(c) Amount required to be set off for the financial year – Nil**

**(d) Total CSR obligation for the financial year (7a+7b- 7c). – Rs. 434.00 Lakhs**

**8. (a) CSR amount spent or unspent for the financial year –**



Total amount spent for the financial year	Amount unspent (in Rs. in Lakhs)				
	Total amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
Rs. 510 Lakhs	Nil	NA	NA	Nil	NA

**(b) Details of CSR amount spent against ongoing projects for the financial year :**

To fulfill its obligation under CSR, the Board on the recommendation of CSR Committee decided to contribute to the Oswal Foundation for undertaking Health Care projects as approved by the consortium of the Group Companies, formed to undertake CSR activities through Oswal Foundation, a registered society with vide Registration No. CSR0000145 for undertaking CSR activities. The Company has paid an amount of Rs. 500 Lakhs to Oswal Foundation for undertaking "Health Care Project" as prescribed under Schedule VII of the Companies Act, 2013. The Foundation has undertaken "Health Care Project for purchase of CT Scan machines, E-bus machine and civil work of Cath Lab etc. as approved by the consortium at Mohan Dai Oswal Cancer Treatment & Research Foundation, Ludhiana for providing better treatment facility to cancer patients.

The details of ongoing CSR project, being undertaken by M/s. Oswal Foundation on behalf of the Company is as under:

(1) Sr. No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes /No)	(5) Location of the project		(6) Project Duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation -Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Health Care Project: At Mohan Dai Oswal Cancer Treatment & Research Foundation, Ludhiana	(i)	Yes	Punjab	Ludhiana	-	500.00 Lakhs	500.00 Lakhs	Nil	No	Oswal Foundation	CSR00000145

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

The Board of Directors of the Company on the recommendation of CSR committee has approved the project Tennis Ball Cricket Tournament- 'Khelo Jee Jaan Se' undertaken by Team Work Welfare Foundation, Bhopal, a registered society with the Ministry of Corporate Affairs under Rule 4(2) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 with vide Registration No. CSR00009185 for undertaking sports activities. Accordingly, the company has paid an amount of Rs. 10 Lakhs to Team Work Welfare Foundation which will be spent for undertaking "Sports Project" as prescribed under Schedule VII of the Companies Act, 2013.

(1) Sr. No	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes /No)	(5) Location of the project		(6) Project Duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial year (in Rs.)	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	(10) Mode of Implementation -Direct (Yes/No)	(11) Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Tennis Ball Cricket Tournament- 'Khelo Jee Jaan Se'	(vii)	Yes	Madhya Pradesh	Bhopal	-	10.00 Lakhs	10.00 Lakhs	Nil	No	Team Work Welfare Foundation	CSR00009185

**(d) Amount spent in Administrative Overheads – Nil**

**(e) Amount spent on Impact Assessment (if applicable) – NA**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – 434.00 Lakhs**

**(g) Excess amount for set off, if any –**

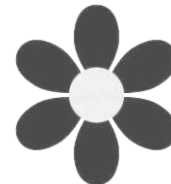
Sr. No.	Particular Amount (in Rs.)	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per Section 135(5)	434.00 Lakhs
(ii)	Total amount spent for the Financial Year	510.00 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	76.00 Lakhs
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set-off in succeeding financial years [(iii)-(iv)]	76.00 Lakhs



9. (a) Details of Unspent CSR amount for the preceding three financial years – Nil  
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – No capital asset was created or acquired during the financial year 2022-23 through CSR spend.  
(Asset-wise details – Not applicable)  
(a) Date of creation or acquisition of the capital asset(s). – NA  
(b) Amount of CSR spent for creation or acquisition of capital asset. – NA  
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA  
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). – NA
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5) of the Act: Not Applicable

Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023

Sd/-  
(DINESH OSWAL)  
Managing Director/ Chairman of CSR Committee  
DIN: 00607290



*Glimpse of CSR Project  
under "Health Care"  
undertaken by  
Oswal Foundation in the  
year 2022-23.*





Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDING 31<sup>st</sup> MARCH, 2023**

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

To

The Members,  
Nahar Spinning Mills Ltd.  
373 Industrial Area, Phase A,  
Ludhiana, Punjab- 141003

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the **Financial Year 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023** complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Nahar Spinning Mills Ltd** ("The Company") for the financial year ended on **31<sup>st</sup> March, 2023** according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the rules made there under;
  - II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made there under;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable as the Company has not issued any shares during the year under review**)
    - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not Applicable as the Company has not issued any shares/options to directors/ employees under the said guidelines/regulations during the year under review**)
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable as the Company has not issued Debt Securities during the Audit Period under review**)
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (**Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial Year under review**)
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable as the Company has not delisted/propose to delist its equity shares from any stock exchange during the financial year under review**)
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (**Not applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review**)
  - (VI) Textiles (Development and Regulation) Order, 2001

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

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

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



**2. I further report that**

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

**I further report** that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For P S Bathla & Associates**

**Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023  
UDIN: F004391E000767001**

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

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

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**'Annexure A'**

To

The Members,  
Nahar Spinning Mills Ltd.  
373 Industrial Area, Phase A,  
Ludhiana, Punjab- 141003

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

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

**For P S Bathla & Associates**

**Place: Ludhiana  
Date: 9<sup>th</sup> August, 2023**

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



**Annexure III**

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

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for financial year 2022-23	% increase/decrease in Remuneration in the Financial Year 2022-23	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the Performance of the Company
1	*Sh. J.L. Oswal Non-Executive Director	*46036548 (including sitting fee and fee)	-3.93	279.68	
2	**Sh. Dinesh Oswal Managing Director	**172552705 (including commission and perks)	-25.10	1046.96	PBT decreased by 77.09 % and PAT decreased by 77.94 % in FY 2022-23
3	Sh. Kamal Oswal Non-Executive Director	40000	Nil	0.24	
4	Sh. Dinesh Gogna Non-Executive Director	40000	Nil	0.24	
5	Sh. S.K. Sharma Non-Executive Director	40000	Nil	0.24	
6	Dr. Manisha Gupta Non-Executive Director	40000	Nil	0.24	
7	Dr. Vijay Asdhir Non-Executive Director	30000	-25.00	0.18	
8	Dr. Roshan Lal Behl Non-Executive Director	40000	Nil	0.24	
9	#Dr. Yash Paul Sachdeva Non-Executive Director	20000	Nil	0.12	
10	#Dr. Anchal Kumar Jain Non-Executive Director	20000	Nil	0.12	
11	*Dr. S.K. Singla Non-Executive Director	10000	-75.00	0.06	
12	*Dr. A.S. Sohi Non-Executive Director	10000	-66.67	0.06	
13	Sh. Anil Garg Chief Financial Officer	3081876	6.86	18.72	PBT decreased by 77.09 % and PAT decreased by 77.94 % in FY 2022-23
14	Mr. Brij Sharma Company Secretary	2496522	5.34	15.17	

**Note:** \* Sh. J.L. Oswal has been paid an advisory fee @0.35% of export sales in addition to sitting fee.

\*\* Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got approval of the shareholders vide Special Resolution dated 29<sup>th</sup> September, 2021 for the payment of remuneration as mentioned in the resolution as minimum remuneration for five years from 1st January, 2022 upto 31st December, 2026. The Commission amount of Rs. 3.32 Crores provided in the books of accounts for the year ended 31st March, 2023.

# Dr. Yash Paul Sachdeva and Dr. Anchal Kumar Jain, were appointed as Independent Directors of the Company w.e.f. 24th

August, 2022.

@ On the expiry of term of office, Dr. S.K. Singla and Dr. Amrik Singh Sohi, ceased to be the Independent directors of the Company w.e.f. 26th September, 2022.

1. The median remuneration of employees of the Company during the financial year was Rs. 1.64 Lakhs (approx.)
2. In the financial year, there was an increase of 19.00% in the median remuneration of employees.
3. There were 9868 permanent employees on the rolls of Company as on March 31, 2023.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2022-23 was 34.92% whereas the decrease in the managerial remuneration (Managing Director) for the same financial year was 25.10%.
5. It is hereby affirmed that the remuneration paid is as per the Appointment and Remuneration Policy of the Company for Directors, Key Managerial Personnel and other Employees.

**Details of top ten employees of the Company in terms of salary drawn as required under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name & Designation	Remuneration received	Nature of employment (contractual or otherwise)	Qualification & experience	Date of commencement of employment	Age	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Dinesh Oswal (M.D.)	172552705	Contractual	B.Com, 37 Years	01.01.1987	58	Oswal Woollen Mills Ltd., Ldh	0.34	1. S/o Sh. J.L. Oswal (Chairman) 2. B/o Sh. Kamal Oswal (Director) 3. Spouse of Mrs. Ritu Oswal (Export Advisor) 4. F/o Ms. Tanvi Oswal (President)
2.	Ms. Tanvi Oswal (President)	1,69,00,000	Regular	B.SC (Management) 4 years	01.11.2018	26	Nahar Spinning Mills Limited	0.00	D/o Sh. Dinesh Oswal (M.D.) & Mrs. Ritu Oswal (Export Advisor)
3.	Sh. Mukesh Rustogi (G.M.)	3103796	Regular	B. Tech. 38 Years	01.12.2015	60	Oswal Cotton Spinning Mills (Doraha, rdh)	NIL	No
4.	Sh. P.K. Vashishth (G.M. Finance & Commercial)	3087765	Regular	FCA 35 Years	06.09.1993	59	Hero Cycles Ltd., Ldh	NIL	No
5.	Sh. Anil Kumar Garg (C.F.O.)	3081876	Regular	FCA 40 Years	01.02.1993	65	Nahar Fiber Ltd., Jitwal Kalan, Distt. Sangrur	NIL	No
6.	Sh. Ashwani Kumar Aggarwal (G.M. Export)	3034918	Regular	C.A 36 Years	06.01.1986	60	Vardhman SPG & GEN Mills Ltd.,	NIL	No
7.	Sh. Anil Anand (G.M. Export)	3013223	Regular	Post Graduate 37 Years	11.01.1995	60	Malwa Cotton Spinning Mills Ltd., Ldh	NIL	No
8.	Mrs. Ritu Oswal (Advisor)	3000000	Regular	B.A. 7 Years	01.02.2013	51	N.A.	0.00	1. W/o Sh. Dinesh Oswal (M.D.) 2. M/o Tanvi Oswal (President)
9.	Sh. Surender Kumar Bhat (General Manager)	2946135	Regular	B.Tech 39 Years	16.08.2014	61	Maral Overseas Ltd., Indore	NIL	No
10.	Sh. Sukhdev Singh (President Processing)	2934400	Regular	Diploma in textile 42 Years	29.05.1993	63	Punjab wool combers	NIL	No

**FOR AND ON BEHALF OF THE BOARD**

**Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023**

**JAWAHAR LAL OSWAL  
(Chairman)  
DIN:00463866**



**Annexure IV**

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014**

**A. CONSERVATION OF ENERGY**

**a. Measures taken for conservation of energy**

Energy conservation is an ongoing process in our organization. The company carries out continuous monitoring, planning, development and modification in our all units to conserve energy. The company always select latest art of technology, machinery and equipment having low energy consumption. The company has also taken following measures for energy conservation:

- i. The Company is in the process of installing roof top solar plant with a capacity of 732KW at company's spinning unit at village jitwal kalan, Distt. Malerkotla at approximate cost of Rs. 2.50 crores and with 2200 KW capacity at company's spinning unit at Village Lalru and Lehli, Distt. S.A.S Nagar at approximate cost of Rs. 7.74 crores. After completion of the said project the company's total roof top plant capacity will stand increased to 8486KW. Thus company's spinning units are generating clean & green energy and saving environment too. This has also resulted in saving of electricity cost to the company.
- ii. The company has started replacing old Ring Frame Bobbins with low weight Bobbins leading to saving of power by 2%. The company has also started replacing normal Poly amide Spindle tapes with Polyester Spindle tapes. This gives additional saving of 2% Power due to low slippage at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.
- iii. The company has upgraded waste collection system and yarn conditioning plant which will lead to extensive power saving at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.
- iv. The Company is continuously monitoring Compressed air Consumption by redeeming Leakage of Machinery. Thus, the company has been able to reduce compressed air per spindle drastically.
- v. The Company is getting Unity Power Factor with counter balancing by APFC Panel and getting rebate in Power Bill as well as reducing the line losses.
- vi. The company has revamped the STP plants from 375 KLD to 600 KLD at Company's Spinning unit at village Jitwal Kalan, Distt. Malerkotla. Future plan is to use this water after processing through RO plant in Humidification system.
- vii. The company has started revamping of the STP plants to make the water suitable for using in Humidification plant at Company's Spinning units at village Lalru Distt. S.A.S Nagar, at village Jitwal Kalan, Malerkotla and at village simrai, Mandideep.
- viii. The Company has set up biomass based power captive plant with latest technology to control the demand of steam and power.
- ix. The Company has also taken initiatives to recharge rain water and installed rain water recharging pits in all of its units and has thus saved water as well as energy by improving ground water table.
- x. The Company has replaced all its lighting system with LED lighting and using electrical equipments with higher energy ratings and also replaced number of conventional motors starters with VFDs under energy saving projects
- xi. The Company is regularly monitoring the under optimized area of machine and optimizing the same to save power and better efficiency.

**b. Steps taken for utilizing alternate sources of energy**

The Company has already installed roof top solar plants at its spinning units, at Village Jodhan, Distt. Ludhiana, at village Lalru and Lehli, Distt. S.A.S Nagar and at village Mandideep, Distt. Raisen in the State of Madhya Pardesh which are generating clean and green energy. The Installation of 732 KW and 2200 KW roof top solar plant is in progress at company's spinning unit at Village Jitwal Kalan, Distt. Malerkotla unit and at Village Lalru and Lehli, Distt.S.A.S Nagar respectively.

**c. Capital Investment on energy conservation equipments**

The Company continues to make Capital Investment on energy conservation equipments. The company has installed a new project at Village Jitwal Kalan, Malerkotla. The project is versatile for manufacturing Polyester, Viscose, PC Blends and many others yarns on same machines. The process of manufacturing is shortened and

thus saves space, power. The compressors and humidification plants are equipped with power saving equipments. The plant is based on industry 4.0 platform. The total cost of the project is approximately Rs.100 Crore.

**B. TECHNOLOGY ABSORPTION**

The Company continues to make efforts for Technology Absorption in all its spinning units. The efforts made by the Company are summarized as under:

**• Efforts made towards Technology Absorption**

The Company has installed Ultra-Modern machineries in all the Company's Spinning Units.

**• Benefits derived**

The company has not only improved its product quality and productivity but has reduced its manufacturing costs. The Company has been able to build its Brand in the World Markets as a Manufacturer of 'world class yarn' which has enabled it to compete in the global markets and expand its market to value added market segments.

**• Information regarding Technology imported during the last three years:**

Detail of Technology imported	: NIL
Year of import	: NA
Whether the technology has been fully absorbed	: NA
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	: NA

**• Expenditure on R & D**

The R&D efforts in the company are focused not only on productivity, quality improvement with waste reduction but also developing value added products. The company has the latest on line & off line testing and monitoring equipments to maintain the consistency of raw material as well as finished products. The Company has been able to procure improved quality of raw material through R & D monitoring and achieve quality standards of the yarns.

Capital (Rs.)	: 6.01 Crores
Recurring (Rs.)	: 12.00 Crores
<b>Total (Rs.)</b>	<b>: 18.01 Crores</b>

**• Future Plans**

The company is committed to continue the upgradation of its R&D facilities by adding latest instruments & machineries that will strive to develop new products, keeping in view the future market requirements and will thus improve its competitiveness.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

- (I) Activities relating to Exports, The company continued its efforts to initiative taken to increase exports, Development of New Export Markets for products and export plans. increase its exports and diversified export Markets. The Company provides quality products at very competitive rates so that it can compete with Global suppliers and maintain a steady growth of exports.

(Rs. in lakhs)

	Current Year	Previous Year
(II) Total Foreign Exchange used and earned		
a) Earning (FOB value of Exports etc.)	111197.81	210463.89
b) Outgo (CIF value of Imports, expenditure in foreign currency and other payments)	12437.06	4530.66

FOR AND ON BEHALF OF THE BOARD

Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023

JAWAHAR LAL OSWAL  
(Chairman)  
DIN:00463866

**Annexure V****CORPORATE GOVERNANCE REPORT**

This Report of Corporate Governance form part of the Annual Report.

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Your Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company's philosophy envisages managing the company's affairs in fair and transparent manner with accountability in its operations so that Company's goal of creation and maximization of wealth of the shareholders could be achieved. Moreover, Good corporate Governance practices ensure that Company gain as well as retain the trust of Shareholders. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") incorporate certain mandatory disclosure requirements which are required to be made with regard to Corporate Governance (Part C of Schedule V). Accordingly, we are pleased to report on the Corporate Governance as hereunder: -

**II. BOARD OF DIRECTORS:****a. Board Composition:**

Your Management believe that well informed and Independent Board is necessary to ensure High Standard of Corporate Governance. The Board oversees the Management's functions and protects the long term interest of all the stakeholders. The Listing Regulations prescribes that the Board of the Company should have the optimum combination of Executive and Non-Executive Directors with at least one Women Director. Besides, where the non-executive Chairperson is promoter of the listed entity or is related to any promoter then atleast half of the Board of Directors should consist of Independent Directors.

We are pleased to inform that Company's Board is an optimal mix of Executive, Non-Executive and Independent Directors so as to maintain its Independence in Governance and Management of the Company. The present strength of the Board as on 31st March, 2023 is Ten Directors. Mr. Dinesh Oswal is Managing Director of the Company and Sh. Jawahar Lal Oswal is Non-Executive Chairman and

is one of the promoters of the Company. Accordingly, the Company's Board consists of five Independent Directors namely, Dr. Yash Paul Sachdeva, Dr. Anchal Kumar Jain, Dr. Vijay Asdhir, Dr. Roshan Lal Behl and Dr. Manisha Gupta a Women Director. Sh. Kamal Oswal, Sh. Dinesh Gogna and Sh. S.K. Sharma are other Non-executive Directors of the Company. Thus, the Company is in the compliance with the Regulation 17(b) of SEBI LODR Regulations, 2015 in respect of the Board Composition.

**b. Board Meetings held and dates on which held:**

As per the provisions of Section 173 of the Companies Act, 2013 and the rules made thereunder, read with Listing Regulations, every Company is required to hold minimum four number of Board Meetings every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive Board Meetings. We are pleased to report that the Company held four Board Meetings during the year i.e. on 25<sup>th</sup> May, 2022, 23<sup>rd</sup> July, 2022, 10<sup>th</sup> November, 2022 and 4<sup>th</sup> February, 2023 with a clearly defined agenda and has thus complied with the said provisions of the Act. The agenda alongwith the explanatory notes are circulated to the directors well in advance. Every Board member can suggest the inclusion of additional items in the agenda. All the Directors strive to be present at the Board Meetings.

**c. Details of Attendance of Directors at the Board Meetings and Last Annual General Meeting:**

The participation of Non-Executive Directors and Independent Directors has been active in the Board Meetings. The names and categories of the directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting held on Wednesday, August 24, 2022 and the number of directorship and committee chairmanships/memberships held by them in other public companies as on 31st March, 2023 are given herein below. Other directorships do not include directorships of private limited companies, Section 8 companies and companies incorporated outside India. Chairmanship/membership of Board Committees shall include only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1)(b) of Listing Regulations:



Name of Directors	Category of Directors	No. of Directorship in other Public Companies	No. of Committee position held in other Public Companies		No. of Board Meetings attended	AGM Attendance	No. of Shares Held	Directorship in other Listed Entities	
			Member	Chairman				Name	Category
Mr. Jawahar Lal Oswal	Non Executive, Promoter	8	*	*	3	NO	90374	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Monte Carlo Fashions Ltd.	Director
Mr. Dinesh Oswal	Executive, Promoter	6	*	*	4	YES	123766	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited	Director
Mr. Kamal Oswal	Non Executive, Promoter	8	1	*	4	NO	24750	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Oswal Leasing Limited	Director
Mr. Dinesh Gogna	Non Executive	9	7	2	4	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Poly Films Ltd. c) Nahar Capital and Financial Services Limited d) Monte Carlo Fashions Ltd. e) Oswal Leasing Limited	Director
Mr. S.K. Sharma	Non Executive	2	2	*	4	NO	21425	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited	Director
Dr. Manisha Gupta	Independent	7	7	1	4	YES	NIL	a) Nahar Poly Films Ltd. b) Nahar Capital and Financial Services Limited c) Monte Carlo Fashions Ltd. d) Nahar Industrial Enterprises Ltd. e) Oswal Leasing Ltd.	Independent Director
Dr. Vijay Asdhir	Independent	1	2	1	3	YES	NIL	a) Nahar Capital and Financial Services Limited	Independent Director
Dr. Roshan Lal Behl	Independent	7	8	5	4	YES	27	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Limited c) Monte Carlo Fashion Ltd. d) Oswal Leasing Ltd. e) Nahar Poly Films Ltd.	Independent Director
#Dr. Yash Paul Sachdeva	Independent	2	*	*	2	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Nahar Capital and Financial Services Limited	Independent Director
#Dr. Anchal Kumar Jain	Independent	1	*	*	2	NO	NIL	a) Nahar Poly Films Ltd.	Independent Director
@Dr. S.K. Singla	Independent	3	4	1	1	YES	NIL	a) Nahar Industrial Enterprises Ltd. b) Monte Carlo Fashions Ltd. c) Kovalam Investment And Trading Company Ltd.	Independent Director
@Dr. Amrik Singh Sohi	Independent	*	*	*	1	YES	NIL	NIL	Independent Director

**Note:-**\*Membership includes Chairmanship.

#Dr. Yash Paul Sachdeva and Dr. Anchal Kumar Jain, were appointed as Independent Director of the Company w.e.f. 24<sup>th</sup> August, 2022.

@On the expiry of term of office, Dr. S.K. Singla and Dr. Amrik Singh Sohi, ceased to be Independent directors of the Company w.e.f. 26<sup>th</sup> September, 2022.

**d. Number of other Board of Directors or Committee in which Directors are member or chairperson:**

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2023, is already given in the table given in Para C above. None of the Director holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Further, as per Regulation

17(A) of SEBI LODR (Amendment) Regulations, 2018 mandate that a person does not act as Director of more than seven listed entities and an independent director of more than seven listed entities.

None of the director is a member of more than Ten (10) Board level Committees or is Chairperson of more than Five (5) such Board level Committees as required under Regulation 26(1) of SEBI LODR Regulations, 2015.



**e. Disclosure of relationships between directors inter-se:**

Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal, Director and Mr. Dinesh Oswal, Managing Director of the Company. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers. None of other Director is related to any other director within the meaning of Section 2(77) of the Companies Act, 2013.

**f. No. of Shares and Convertible Instruments held by non-executive directors:**

Mr. Jawahar Lal Oswal who is Chairman and Non Executive Promoter Director of the Company is holding 90374 equity shares of Rs. 5/- each of the Company. Mr. Dinesh Oswal, who is Managing Director of the Company, is also holding 123766 equity shares of Rs. 5/- each of the Company. Mr. Kamal Oswal, who is Non-Executive Promoter Director, is holding 24750 equity shares of Rs. 5/- each of the Company. Mr. S.K. Sharma, who is Non Executive Director, is holding 21425 equity shares of Rs. 5/- each of the Company. Likewise, Dr. Roshan Lal Behl, who is an Independent Director, is also holding 27 equity shares of Rs. 5/- each of the Company.

**g. Web link of Familiarization Programs:**

The details of Company’s Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at <http://www.ownahar.com/spinning/pdf/Familiarization-Program.pdf>

**h. Board-skills/expertise/competencies:**

The Company’s Board comprises qualified members who bring in the required skill/Expertise that allow them to make effective contribution to the Board and its Committees. Pursuant to Regulation 34(3) read with Schedule V Part (C) (2)(h) of Listing Regulations, the Board of Directors has identified the following requisite skills/ expertise and competencies required in the context of Company’s business and sector to function effectively.

Sr.No.	Core Skills/Expertise/Competencies
1.	Leadership skills
2.	Industry knowledge and Experience
3.	Managerial and Entrepreneurial Skills
4.	Experience and exposure in policy shaping and industry promotion
5.	Understanding of relevant laws, rules, regulations and policies
6.	Corporate Governance
7.	Financial expertise/Knowledge
8.	Risk Management
9.	Information Technology

**A Chart matrix setting out the skill/ expertise/ competency currently available in the Board:** A table showing details of Skill/ Expertise actually available with the Directors of the Company.

Directors	Area of Expertise								
	Industry knowledge	Leadership Skills	Managerial and Entrepreneurial Skills	exposure in policy shaping	Understanding of relevant laws, rules, regulations and policies	Corporate Governance	Financial expertise / knowledge	Risk Management	Information Technology
Mr. Jawahar Lal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Dinesh Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Kamal Oswal	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. Dinesh Gogna	YES	YES	YES	YES	YES	YES	YES	YES	YES
Mr. S.K. Sharma	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr.Yash Paul Sachdeva	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Anchal Kumar Jain	YES	YES	YES	YES	YES	YES	-	YES	YES
Dr. Manisha Gupta	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Vijay Asdhir	YES	YES	YES	YES	YES	YES	YES	YES	YES
Dr. Roshan Lal Behl	YES	YES	YES	YES	YES	YES	YES	YES	YES

**i. Confirmation of Independent Directors and their registration with Databank:**

Pursuant to Clause C(2)(i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions required for independent directors as specified in the Listing Regulations and are independent of the management.

**j. Resignation of an Independent Director:**

Pursuant to Clause C(2)(j) of Schedule V read with Regulation 34(3) of Listing Regulations, requirement of providing the detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons is not applicable as no Independent Director has resigned during the year under review.

**k. Separate Meeting of Independent Directors:**

As per the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold atleast one meeting in a year without the attendance of Non Independent Directors and members of Management. We are pleased to report that the Company’s Independent Directors met on 9<sup>th</sup> November, 2022 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they –

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of



the Company, taking into account the views of Executive Director and Non-Executive Directors;

- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Further, it is confirmed that in the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent of the Management.

### III. BOARD COMMITTEES

The Board has constituted Audit committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee, CSR Committee and Share Transfer Committee which helps the Board in good Corporate Governance. The recommendation of the committees are submitted to the Board for their consideration and approval. During the year under review, all recommendations of the committees were approved by the Board.

#### 1. AUDIT COMMITTEE

##### a. Brief Description of Terms of Reference:

The Board has constituted an independent and qualified Audit Committee. The term of reference of the Audit Committee is as per Part C of Schedule II of SEBI LODR Regulations, 2015 and Section 177(4) of the Companies Act, 2013.

##### b. Composition:

The Audit Committee comprises of three Directors under the chairmanship of Dr. Vijay Asdhir, who is an Independent Director. Mr. Dinesh Gogna, Non Executive Director, Dr. Roshan Lal Behl, Independent Director are the other two members of the Audit Committee as on 31st March, 2023.

During the year under review, Dr. Suresh Kumar Singla ceased to be the member of Audit committee due to the expiry of his term w.e.f. 26th September, 2022. Dr. Vijay Asdhir is M.Com, Ph.D. having more than 40 years' experience in Teaching Business and Administration. He retired as Head of Commerce Department (Post Graduate), Government College, Ludhiana. Accordingly, Dr. Vijay Asdhir is financially literate and has required accounting and financial management related expertise. Dr. Roshan Lal Behl is M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies) and is having 41 years of experience in Teaching and Administration. He retired as principle of Sri Aurbindo College of Commerce and

Management, Ludhiana. Likewise, Mr. Dinesh Gogna is having 45 years of experience in corporate Finance, Taxation, Financial and Accounting matters. Mr. Brij Sharma is the Secretary of the Committee. Mr. Anil Garg who is the Chief Financial Officer is a permanent invitee of the Committee. The Statutory Auditors and Internal Auditors are also invited to attend the meetings as and when felt necessary and as per relevant provisions of the applicable laws/rules.

The Primary objective of Audit Committee is to monitor and provide an effective supervision on the Management financial reporting process, to ensure timely and accurate disclosure. Besides, the committee also oversees the work of internal and statutory auditors.

##### c. Meetings and Attendance:

During the financial year 2022-23, the Committee met four times i.e. on 25<sup>th</sup> May, 2022, 23<sup>rd</sup> July, 2022, 10<sup>th</sup> November, 2022 and 4<sup>th</sup> February, 2023, for reviewing and adopting the quarterly un-audited / audited financial results as well as the financial statements before recommending the same to the Board of Directors for their perusal and adoption.

The attendance record of the Audit Committee Members at the Meetings during the year 2022-23 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	3
Mr. Dinesh Gogna	4	4
Dr. Roshan Lal Behl	4	4
*Dr. S.K. Singla	4	1

*\*On the expiry of term of office of Dr. S.K. Singla on 26<sup>th</sup> September, 2022, ceased to be the member of the Committee.*

#### 2. NOMINATION AND REMUNERATION COMMITTEE

##### a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI LODR Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become directors and who may be appointed in senior management category in accordance with the criteria laid down and recommend to the Board their appointment and removal. It carries out evaluation of every director's performance. The Committee also ensures that Company's remuneration policies in respect of



Managing Director, Key Managerial Personnel and Senior Executives are competitive so as to recruit and retain best talent in the Company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Managing Director, KMP and Senior Executives as per the applicable provisions of the Companies Act, 2013 and also devises a policy on “Diversity of Board of Directors”. The company policy on Appointment and Remuneration of Directors has also been updated on Company’s website i.e. www.owmnahar.com.

**b. Composition:**

The Committee consists of three Independent Directors namely; Dr. Yash Paul Sachdeva as the Chairman, Dr. (Mrs.) Manisha Gupta and Dr. Roshan Lal Behl as the members of the Committee as on 31<sup>st</sup> March, 2023.

During the year under review, Dr. S.K. Singla ceased to be the member/chairman of committee and Dr. Amrik Singh Sohi ceased to be the member of committee due to the expiry of their term w.e.f. 26<sup>th</sup> September, 2022. Accordingly, the Board of Directors in their meeting held on 23<sup>rd</sup> July, 2022 approved the appointment of Dr. Yash Paul Sachdeva as member and Chairman of Nomination and Remuneration Committee w.e.f. 24<sup>th</sup> August, 2022.

**c. Meetings and Attendance:**

The Nomination and Remuneration Committee met two times during the year i.e. 25<sup>th</sup> May, 2022, 23<sup>rd</sup> July, 2022. The attendance record of the meetings held during the year 2022-23 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
*Dr. S.K. Singla	2	1
*Dr. Amrik Singh Sohi	2	1
Dr. Roshan Lal Behl	2	2
Dr. Manisha Gupta	2	2
*Dr. Yash Paul Sachdeva	2	0

\*On the expiry of term of office of Dr. S.K. Singla and Dr. Amrik Singh Sohi, ceased to be the member of the committee w.e.f. 26<sup>th</sup> September, 2022.

\*Dr. Yash Paul Sachdeva, Independent Director, appointed as member/chairman of the committee w.e.f. 24<sup>th</sup> August, 2022.

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

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of parameters for evaluation includes education, knowledge, experience, expertise, skills, behavior, leadership qualities, level of engagement and contribution, independence of judgment, ability to

communicate effectively with other board members and management, effective decision making ability for safeguarding the interest of the Company, stakeholders and its shareholders.

**e. REMUNERATION OF DIRECTORS**

**A. Pecuniary relationship or transactions of the Non-executive Directors vis-à-vis the Company:**

Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and as per the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board of Directors of the Company, the Members approved vide their special resolution the payment @0.35% of Export Sales of the Company to Mr. Jawahar Lal Oswal, Non-Executive Director/ Chairman of the Company for a period of 3 years w.e.f. 1st October, 2021. The approval for the shareholder vide their special resolution is again sought for the above said payment Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the applicable provisions of the Companies Act, 2013 and for increase in the payment from @0.35% to @0.50% of Export Sales of the company w.e.f. 1st April, 2023 till the remaining period of his appointment i.e. 30th September, 2024.

**B. Criteria of making payment to non-executive directors:**

The Non-Executive Directors are paid remuneration in the form of sitting fee of Rs. 10,000/- per meeting for attending the Board Meeting of the Company. The details of sitting fee paid to Non executive Directors during the year 2022-23 is as follows:

Name of Director	Sitting/Other Fees (Rs.)
*Mr. Jawahar Lal Oswal	46036548
Mr. Kamal Oswal	40000
Mr. Dinesh Gogna	40000
Mr. S.K. Sharma	40000
Dr. Vijay Asdhir	30000
Dr. (Mrs.) Manisha Gupta	40000
Dr. Roshan Lal Behl	40000
*Dr. Yash Paul Sachdeva	20000
*Dr. Anchal Kumar Jain	20000
#Dr. S.K. Singla	10000
#Dr. Amrik Singh Sohi	10000
<b>Total</b>	<b>46326548</b>

\*It includes the sitting fee and the amount paid as per the approval of the shareholders vide their special resolution dated 29th September, 2021.

\*Dr. Yash Paul Sachdeva and Dr. Anchal Kumar Jain, were





appointed as Independent Directors of the Company w.e.f. 24th August, 2022.

#On the expiry of term of office, Dr. S.K. Singla and Dr. Amrik Singh Sohi, ceased to be the Independent Directors of the Company w.e.f. 26th September, 2022.

**C. Disclosures with respect to remuneration:**

The non-executive directors of the Company are being paid sitting fee for attending the Board Meeting. Mr. Dinesh Oswal, being the Managing Director of the Company has been paid remuneration as per shareholders' approval vide special resolution dated 29th September, 2021 under Section 197 read with Schedule V of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017 for five years from 1st January, 2022 upto 31st December, 2026. The disclosure in respect of remuneration paid to Mr. Dinesh Oswal is as detailed below:

**D. Elements of remuneration package**

The elements of remuneration package paid to Mr. Dinesh Oswal, Managing Director of the Company, during the year 2022-23 is as follows:

Name of Director	Salary and Perks	Commission	Benefits	Bonuses	Stock Option	Pension	Total
Mr. Dinesh Oswal	*139352705	*33200000	-	-	-	-	*172552705

**Note:** \* Pursuant to the provisions of Section 197 (1) of the Companies Act, 2013 as amended by Companies (Amendment) Act, 2017 read with schedule V and other applicable provisions, the Company got approval of the shareholders vide Special Resolution dated 29<sup>th</sup> September 2021 for the payment of remuneration as mentioned in the resolution for five years from 1st January, 2022 upto 31st December, 2026. The commission amount of Rs. 3.32 crores provided in the books of accounts for the year ended 31st March, 2023.

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

The fixed Component of remuneration of Managing Director includes salary, H.R.A, perquisites and retirement benefits. He is also entitled to 2% commission of the net profits of the company, as per the shareholder approval vide their special resolution dated 29<sup>th</sup> September, 2021 under the Companies Act, 2013.

**F. Service contracts, notice period, severance fees;**

The tenure of office of the Managing Director is for five years from the respective date of appointment and same can be terminated by either party by giving three months notice in writing. There is no separate provision for payment of severance fees.

**G. Stock option details:**

None of the Non Executive Directors has been granted any stock option by the Company.

**3. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

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

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee. The Committee looks into the complaints/grievances of shareholders in respect of transfer of shares, Non receipt of Dividend, Share Certificates, Dematerialisation and Annual Reports etc. and recommends measures for improving the quality of investor service. The committee also oversees the performance of M/s Alankit Assignment Ltd. the Registrar and Transfer Agent of the Company. The main objective the committee is to assist the Board and Company in maintaining healthier relationship with all stakeholders.

**b. Composition:**

The Committee consists of three non-executive directors under the Chairmanship of Dr. Vijay Asdhir. Dr. Anchal Kumar Jain an Independent Director and Mr. S.K. Sharma a Non Executive Director are the other two members of the Committee as on 31<sup>st</sup> March 2023.

During the year under review, Dr. Amrik Singh Sohi ceased to be the member of committee due to the expiry of his term w.e.f. 26th September, 2022. Accordingly, the Board of Directors in their meeting held on 23<sup>rd</sup> July, 2022 approved the appointment of Dr. Anchal Kumar Jain as a member of the Stakeholders' Relationship Comiittee w.e.f. 24<sup>th</sup> August, 2022.

**c. Meetings and Attendance**

The Committee met four times i.e. on 25<sup>th</sup> May, 2022, 23<sup>rd</sup> July, 2022, 10<sup>th</sup> November, 2022 and 4<sup>th</sup> February, 2023 during the year under review. The attendance record at the meetings held during the year 2022-23 is as follow:-

Name of Member	No. of Meetings Held	No. of Meetings Attended
Dr. Vijay Asdhir	4	3
Mr. S.K. Sharma	4	4
*Dr. Amrik Singh Sohi	4	1
#Dr. Anchal Kumar Jain	4	2

\*On the expiry of term of office of Dr. Amrik Singh Sohi, ceased to be the member of the committee w.e.f. 26th September, 2022.  
#Dr. Anchal Kumar Jain, Independent Director, appointed as member of committee w.e.f. 24th August, 2022.

**d. Name and Designation of Compliance Officer**

Mr. Brij Sharma, Company Secretary is the Compliance Officer of the Company.

**e. Details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending:**

The Company has been quick in redressed of the grievances of the shareholders and has attended to most of the investors correspondence/grievances with in a period of 7 to 10 days from the date of the receipt of the same. The details of Investors' complaints received/resolved/not solved to the satisfaction of shareholders/pending is given here below:

No. of complaints received during the financial year: SEVEN

No. of complaints resolved during the financial year: SEVEN

No. of complaints not solved to the satisfaction of : NIL shareholders

No. of complaints pending as on 31<sup>st</sup> March, 2023 : NIL

**f. Dedicated e-mail for Investor Grievance**

To enable investors to register their grievances, the Company has designated an exclusive e-mail id i.e. gredressalnsml@owmnaahar.com.

**4. RISK MANAGEMENT COMMITTEE****a. Brief Description of Terms of Reference:**

As per the provisions of Regulation 21 of SEBI LODR Regulations, 2015, Top 1000 listed entities determined on the basis of market capitalization as at the end of immediate previous financial year shall constitute a Risk Management Committee. We would like to inform you that the company's ranking was 990 on the basis of the market capitalization as at the end of the immediate previous financial year at NSE. Accordingly, in compliance of the said LODR Regulations, the company has already constituted a Risk Management Committee to frame, implement and monitor the risk management plans for the company.

**b. Composition:**

The Risk Management Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. Anchal Kumar Jain and Dr. Roshan Lal Behl are other two members of the Committee.

During the year under review, Dr. S.K. Singla ceased to be the member of committee due to the expiry of his term w.e.f. 26th September, 2022. Accordingly, the Board of Directors in their meeting held on 23<sup>rd</sup>

July, 2022 approved the appointment of Dr. Anchal Kumar Jain as a Member of committee w.e.f. 24<sup>th</sup> August, 2022.

The main term of reference of the Committee is to review and monitor the risks associated with Company's business and suggest measures for mitigation of the same as per Company's Risk Management Policy.

However, no business is free from Normal Business Risks i.e. Financial Risk, Exchange Risk, Operational risks such as fluctuation in cotton prices, Policy Risk, Global Risk, Regulatory risk, cyber security risk etc. Earlier, the Audit Committee was taking care of the Company's risk management policies but with the constitution of Risk Management Committee it will be reviewed in its meeting so that the Company could face the challenges and risk associated with the Business successfully and become a Global competitive Company. The Committee is responsible for monitoring and reviewing the risk management policies and ensuring its effectiveness.

**c. Meetings and Attendance**

The Risk Management Committee met two times during the year i.e. 2<sup>nd</sup> May, 2022 and 24<sup>th</sup> October, 2022. The attendance record of the meetings held during the year 2022-23 is as under:

Name of Member	No. of Meetings Held	No. of Meetings Attended
Mr. Dinesh Oswal	2	2
* Dr. S.K. Singla	2	1
Dr. R.L. Behl	2	2
*Dr. Anchal Kumar Jain	2	1

*\*On the expiry of term of office of Dr. S.K. Singla, ceased to be the member of the committee w.e.f. 26th September, 2022.*

*\*Dr. Anchal Kumar Jain, Independent Director, appointed as member of committee w.e.f. 24th August, 2022.*

**5. OTHER COMMITTEES****1. SHARE TRANSFER COMMITTEE**

The Company has also constituted a Share Transfer Committee comprising of 4 (four) members under the Chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Mr. Dinesh Gogna and Mr. S.K. Sharma, Directors of the Company and Mr. Brij Sharma, Company Secretary of the Company, are the members of the Committee. The Committee is responsible for approving the transfer and transmission of securities, Dematerialisation of shares, issuance of duplicate share certificates and



other shareholders related issues. The Committee met twenty two times during the year under review i.e. 15<sup>th</sup> April, 2022, 30<sup>th</sup> April, 2022, 16<sup>th</sup> May, 2022, 31<sup>st</sup> May, 2022, 15<sup>th</sup> June, 2022, 30<sup>th</sup> June, 2022, 15<sup>th</sup> July, 2022, 30<sup>th</sup> July, 2022, 12<sup>th</sup> August, 2022, 31<sup>st</sup> August, 2022, 30<sup>th</sup> September, 2022, 31<sup>st</sup> October, 2022, 15<sup>th</sup> November, 2022, 30<sup>th</sup> November, 2022, 15<sup>th</sup> December, 2022, 30<sup>th</sup> December, 2022, 16<sup>th</sup> January, 2023, 31<sup>st</sup> January, 2023 15<sup>th</sup> February, 2023, 28<sup>th</sup> February, 2023, 15<sup>th</sup> March, 2023 and 31<sup>st</sup> March, 2023 and the attendance record of the members at the meetings held during the year 2022-23 is as follows:-

Name of Member	No.of Meetings Held	No.of Meetings Attended
Mr. Dinesh Oswal	22	22
Mr. Dinesh Gogna	22	22
Mr. S.K. Sharma	22	22
Mr. Brij Sharma	22	22

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares (in respect of which dividend remain unpaid/unclaimed for a period of seven consecutive years) to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: <http://www.owmnaahar.com/spinning/transfer-of-equity-shares-to-IEPF.php>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link <http://www.iepf.gov.in/IEPFA/refund.html>.

The Shareholders can claim their subject shares/dividend by making an application to the IEPF Authority in e-Form IEPF-5 as per procedure provided under Rule 7 of the IEPF Rules. The Shareholders can also view the procedure at [www.iepf.gov.in](http://www.iepf.gov.in).

As per SEBI Circular No. D&CC/FITTC/CIR-15/2002 dated 27<sup>th</sup>December, 2002; the Company has appointed M/s. Alankit Assignments Ltd, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, investors, members of Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of share transfer/transmission, Demat, Remat, Change of

Address etc. to our Registrar, whose address and telephone no etc. has already been mentioned in Director's Report.

**2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

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

The Board constituted Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility policy) Rules, 2014. The Committee formulated and recommended Company's CSR policy to the Board which was approved and adopted by the Board of Directors. The Company's CSR policy is also available on Company's website and can be accessed at: <http://www.owmnaahar.com/spinning/pdf/CSR-Policy-NSML-2023.pdf> As per policy, Company is undertaking CSR activities in collaboration with Group Companies under one umbrella i.e. through Oswal Foundation which is a Registered Society formed in 2006. The committee overseas and monitors the activities/programmes/projects undertaken by Oswal Foundation.

**b. Composition**

The CSR Committee comprises of three Directors under the chairmanship of Mr. Dinesh Oswal, Managing Director of the Company. Dr. Yash Paul Sachdeva and Mr. Dinesh Gogna are other two members of the Committee.

During the year under review, Dr. S.K. Singla ceased to be the member of committee due to the expiry of his term w.e.f. 26<sup>th</sup> September, 2022. Accordingly, the Board of Directors in their meeting held on 23<sup>rd</sup> July, 2022 approved the appointment of Dr. Yash Paul Sachdeva as the Member of the Committee w.e.f. 24<sup>th</sup> August, 2022.

**c. Meetings and Attendance**

During the year under review, the Committee met twice i.e. on 30<sup>th</sup> June, 2022 and 23<sup>rd</sup> July, 2022. The attendance record of members at the meeting held during the year 2022-23 is as follow:-

Name of Member	No.of Meetings Held	No.of Meetings Attended
Mr. Dinesh Oswal	2	2
*Dr. S.K. Singla	2	1
Mr. Dinesh Gogna	2	2
*Dr. Yash Paul Sachdeva	2	0

\*On the expiry of term of office of Dr. S.K. Singla, ceased to be the member of the committee w.e.f. 26<sup>th</sup> September, 2022

\*Dr. Yash Paul Sachdeva, Independent Director, appointed as member of committee w.e.f. 24<sup>th</sup> August, 2022.



The CSR report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended for the financial year ended 31st March, 2023 is attached as Annexure I to the Directors' Report.

#### IV. GENERAL BODY MEETINGS

##### a. Location and time, where last three Annual General Meetings held:

Financial Year	Location	Date	Time
2019-2020	Through Video Conferencing/ Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	29.09.2020	11.00 A.M.
2020-2021	Through Video Conferencing/ Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	29.09.2021	10.00 A.M.
2021-2022	Through Video Conferencing/ Other Audio Visual Means at the Regd. Office at 373, Industrial Area-A, Ludhiana.	24.08.2022	10.00 A.M.

##### b. Whether any Special Resolutions passed in the previous three Annual General Meetings:

###### 2019-20

No special resolution passed in 2019-20

###### 2020-21

1. Reappointment of Mr. Dinesh Oswal as Managing Director of the Company, as approved by the shareholders on 29th September, 2021 under section 196, 197 and 203 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013.
2. To approve payment to Mr. Jawahar Lal Oswal, Non Executive Director of the Company, as approved by shareholders on 29th September, 2021 under section 197 read with schedule V and other applicable provisions, if any, of the Companies Act, 2013.
3. To approve continuation of holding of office as Independent Director by Dr. Vijay Asdhir (DIN: 06671174), on attaining the age of 75 years.
4. To approve continuation of holding of office as Independent Director by Amrik Singh Sohi (DIN: 03575022), on attaining age of 75 years.

###### 2021-22

1. To appoint Dr. Yash Paul Sachdeva (DIN: 02012337), as an Independent Director.
2. To appoint Dr. Anchal Kumar Jain (DIN: 09546925), as an Independent Director.
3. To re-appoint of Dr. Vijay Asdhir (DIN: 06671174), as an Independent Director.

4. To re-appoint of Dr. Manisha Gupta (DIN: 06910242), as an Independent Director.
5. To approve the payment to Mr. Jawahar Lal Oswal, Non-Executive Director of the company under regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6. To approve payment of remuneration to Mr. Dinesh Oswal (DIN: 00607290) Managing Director of the Company under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### c. Whether any Special Resolution passed last year through postal ballot.

No Special Resolution was passed during the financial year ended 31.03.2023 through postal ballot.

##### d. Person who conducted the postal ballot exercise:

Not applicable as no special resolution was passed during the financial year ended 31.03.2023 through postal ballot.

##### e. Whether any special resolution is proposed to be conducted through postal ballot.

Presently, no Special Resolution is proposed to be conducted through postal ballot.

##### f. Procedure for postal ballot.

Whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI LODR Regulations, 2015.

#### V. MEANS OF COMMUNICATION

##### a. Quarterly Results:

The Company's quarterly results in the format prescribed by the Listing Regulations, are approved and taken on record by the Board within the prescribed period under the Regulations and submitted immediately by uploading on the website of BSE Limited and National Stock Exchange of India Limited, on which the Company's shares are listed.

##### b. Newspapers wherein results normally published:

The financial results of the Company are published in leading Newspaper i.e. Business Standard/ Financial Express in English and Punjabi Jagran in vernacular.



**c. Any website, where displayed:**

The Company's Quarterly, Half yearly and Annual Results are also displayed on the website of the Company i.e. www.ownahar.com. The Quarterly and Annual Financial Statement along with the Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Cash Flow Statement, Corporate Governance Report, Report on Management Discussion and Analysis and Shareholding Pattern etc. can also be retrieved by the investors from the website of the Company, BSE Limited and National Stock Exchange of India Limited.

**d. Whether it also displays official news releases**

Whenever any official news is released, the same is also displayed on the Company's website i.e. www.ownahar.com.

**e. Presentations made to institutional investors or to the analysts:**

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

**VI. GENERAL SHAREHOLDERS INFORMATION**

**a. Annual General Meeting**

<b>Date</b>	: 25 <sup>th</sup> September, 2023
<b>Day</b>	: Monday
<b>Time</b>	: 10.00 A.M
<b>Venue</b>	: The Company is conducting the Meeting through Video Conferencing/Other Audio Visual Means as permitted by Ministry of Corporate Affairs. Hence, the venue of the Meeting shall be deemed to be the Registered Office of the Company. For details please refer to the Notice of this AGM.

**b. Financial Year :**

Financial year of the Company comprises of twelve months i.e. 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023

**c. Dividend Payment :**

On or before 5<sup>th</sup> October, 2023

**d. Date of Book Closure:**

9<sup>th</sup> September, 2023 to 12<sup>th</sup> September, 2023  
(both days inclusive)

**e. Name and address of Stock Exchanges at which the securities of the Company are listed:**

The National Stock Exchange of India Ltd (NSE) Exchange Plaza <sup>®</sup> , Plot No. C/1 G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400051	The BSE Limited (BSE) 25 <sup>th</sup> Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001.
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The listing fees payable to BSE and NSE for 2023-24 have been paid in full by the Company.

**f. Stock code:**

For trading at NSE : NAHARSPING

For trading at BSE : 500296

**g. Demat ISIN number in NSDL and CDSL for Equity Shares: INE290A01027**

The annual custodian fees for the financial year 2023-24 have been paid to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**h. Market Price Data-high low during each month in last financial year**

The Company's equity shares are listed at BSE and NSE. Accordingly the month wise High and Low stock prices from April, 2022 to March, 2023 are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2022	645.80	495.00	644.65	496.05
May, 2022	554.65	367.10	556.00	372.65
June, 2022	433.00	272.20	432.35	273.15
July, 2022	350.00	294.45	348.10	294.30
August, 2022	379.00	298.00	379.00	297.00
September, 2022	375.60	297.00	375.95	300.00
October, 2022	324.50	275.00	322.00	274.05
November, 2022	315.00	262.00	315.90	261.00
December, 2022	317.00	251.05	321.00	255.00
January, 2023	295.70	241.60	300.00	242.00
February, 2023	255.05	213.80	255.90	214.00
March, 2023	289.80	215.00	291.15	215.35

Source: Data has been taken from the website of the BSE and NSE. The Company does not have any other sources for verification of data.

**i. Performance in comparison to broad based indices such as BSE Sensex**

The Company's equity shares are listed at BSE and NSE. Accordingly, comparison between Nahar Spinning Mills Limited closing price variation and BSE Sensex in percentage from April, 2022 to March, 2023 is as under:



Year 2022-23	Share Prices of Nahar Spinning Mills Limited				BSE Sensex			
	Highest	Lowest	Closing	%age Change over last Month's Closing	Highest	Lowest	Closing	%age Change over last Month's Closing
April, 2022	645.80	495.00	519.10	1.73	60,845.10	56,009.07	57,060.87	-2.57414778
May, 2022	554.65	367.10	389.45	-24.97	57,184.21	52,632.48	55,566.41	-2.619062766
June, 2022	433.00	272.20	320.85	-17.61	56,432.65	50,921.22	53,018.94	-4.584550271
July, 2022	350.00	294.45	327.85	2.18	57,619.27	52,094.25	57,570.25	8.584309683
August, 2022	379.00	298.00	350.35	6.86	60,411.20	57,367.47	59,537.07	3.416382593
September, 2022	375.60	297.00	304.40	-13.11	60,676.12	56,147.23	57,426.92	-3.544262423
October, 2022	324.50	275.00	275.70	-9.43	60,786.70	56,683.40	60,746.59	5.780686131
November, 2022	315.00	262.00	309.75	12.35	63,303.01	60,425.47	63,099.65	3.873567224
December, 2022	317.00	251.05	281.90	-8.99	63,583.07	59,754.10	60,840.74	-3.579908922
January, 2023	295.70	241.60	250.90	-10.00	61,343.96	58,699.20	59,549.90	-2.121670446
February, 2023	255.05	213.80	216.45	-13.73	61,682.25	58,795.97	58,962.12	-0.987037762
March, 2023	289.80	215.00	240.35	11.04	60,498.48	57,084.91	58,991.52	0.049862522

Source: Data has been taken from the website of the BSE. The Company does not have any other sources for verification of data.

**j. In case the securities are suspended from trading, reason thereof**

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

**k. Registrar to an issue and Share Transfer Agents**

As per SEBI Circular No. D&CC/FITTC/CIR15/2002 dated 27th December, 2002; the Company has appointed M/s Alankit Assignments Ltd. New Delhi, as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the Shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer/Transmission, Demat/Remat, Change of Address etc. to our Registrar whose address and telephone nos. etc. have already been mentioned in the Directors' Report.

In case any query/complaint remains unresolved with our Registrar, please write to the Company Secretary at the Registered Office of the Company.

Members may kindly note that the Registrar & Transfer Agent and/or the Company will not entertain request for noting of change of address/bank details/ECS mandate in case of accounts with Demat holding. For this purpose, shareholders should approach their Depository Participant.

**l. Share Transfer System**

The Company has constituted a Share Transfer Committee consisting of four members, namely Mr. Dinesh Oswal, Managing Director, Mr. Dinesh Gogna, Mr. S.K. Sharma, Director and Mr. Brij Sharma, Company Secretary of the Company. Share Transfer Committee meets once/twice in a month to approve the transmission / transposition / change of name, issue of duplicate share certificates & dematerialization of shares as per the procedure

prescribed under the Companies Act, 2013 / Listing Regulations.

As required under Regulation 40(9) of the SEBI LODR Regulations, 2015, a certificate is obtained at the end of Financial Year from a Practicing Company Secretary within Thirty days from the end of financial year certifying that all share certificates/ Letter of Confirmations have been issued within thirty days of their lodgment for transmission, change of name, transposition, sub-division, consolidation, renewal and exchange or endorsement. The certificate is forwarded to BSE and NSE where the Equity Shares of the Company are listed.

**m. Distribution of Shareholding**

As on 31st March, 2023, your Company had 32417 shareholders having a total of 3,60,65,303 Equity Shares. The following is the distribution of Shareholding:

No. of Shares Held	No. of holders	Percentage of Shareholders	Aggregate shares held	Percentage of Shareholding
1-500	29789	91.89	3247261	9.00
501-1000	1493	4.61	1117924	3.10
1001-2000	602	1.86	887587	2.46
2001-3000	198	0.61	499026	1.38
3001-4000	81	0.25	289105	0.80
4001-5000	66	0.20	302732	0.84
5001-10000	105	0.32	754393	2.09
10001 and above	83	0.26	28967275	80.32
<b>Total</b>	<b>32417</b>	<b>100.00</b>	<b>36065303</b>	<b>100.00</b>

**n. Shareholding Pattern as on March 31, 2023**

Shares held by	No. of Shares	Percentage of Shareholding
Banks and Mutual Funds	202155	0.56
Foreign holdings (FIIs, NRIs, OCBs)	280235	0.77
Trust	90	0.00
Bodies Corporate	343591	0.95
Directors/Relatives of Directors	46656	0.13
General Public	9891361	27.44
HUF	718683	2.00
*Promoter	23964879	66.45
Shares Transferred to IEPF	617653	1.70
<b>Total</b>	<b>3,60,65,303</b>	<b>100.00</b>

\*5000 Equity Shares of the company was purchased by Nahar Capital and Financial Services Ltd. (Promoter Group Company) on 29.03.2023 through open market and the delivery of said shares was credited to them on 03.04.2023.

**o. Dematerialisation of Shares and Liquidity**

As on 31st March, 2023, 3,54,57,458 comprising 98.31% of the total Equity Capital of the Company has been dematerialized, Equity Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited. To facilitate holding and trading of securities in



electronic form, your Company has established connectivity with both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). The investors have an option to dematerialize their equity shares with either of the Depositories.

Further, SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 mandated that listed companies to issue securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate, 2. Claim from Unclaimed Suspense Account, 3. Renewal/Exchange of Securities Certificate, 4. Endorsement, 5. Sub-division / Splitting of securities certificate, 6. Consolidation of securities certificates/folios, 7. Transmission, 8. Transposition.

**p. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity**

The Company does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or any Convertible Instruments, which is likely to have any impact on the equity of the Company.

**q. Commodity price risk or foreign exchange risk and hedging activities**

The Company is in the Manufacturing of Yarn and Garments under the main head 'Textiles'. The Company has not dealt in any commodity market and thus there is no commodity price risk. Since the Company is in the export of Yarns/Garments Business, to cover itself from exchange rate fluctuations it goes in for partial hedging by normal booking in the normal course of the business. The Company is not involved in any speculative activities.

**r. Plant Locations:**

375, Industrial Area-A, Ludhiana  
427, Industrial Area-A, Ludhiana  
Dhandari Kalan, G.T.Road, Ludhiana  
Village Samrai, Mandideep, Distt. Raisen (M.P.)  
Village Lalru and Lehli, Distt. S.A.S. Nagar (P.B)  
Village Jalalpur, Distt. S.A.S. Nagar (P.B)  
Village Jodhan, Distt. Ludhiana  
Village Jitwal Kalan, Tehsil Malerkotla, Distt.Sangrur

**s. Address for correspondence:**

"NAHAR TOWER"  
373, Industrial Area-A, Ludhiana-141003 (Pb.)  
Phone No : 0161-2600701  
Fax No. : 0161-2601956, 2222942

E-mail address: secnsm@owmnahar.com  
Website : www.owmnahar.com

**t. Credit Ratings:**

We would like to inform you that, the Credit Rating Information Services of India Ltd. (CRISIL) vide its letter no. RL/NAHSPIN/300986/CP/0922/42085 dated September 01, 2022 has reaffirmed company's rating outlook on the long term bank facilities 'CRISIL A/Stable'. The rating on short-term bank facility has been reaffirmed at 'CRISIL A1'.

**u. KYC Updation:**

Pursuant to SEBI Circular No. SEBI/HO/MIRSD "IRSD-PoD-1P/CIR/2023/37 dated March 16, 2023 read with SEBI Circulars No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI/HO/MIRSD/MIRSD RTAMB/P/CIR/2021/655 dated November 3, 2021 (the "SEBI Circulars") the company has already dispatched letters to the physical shareholders of the Company in May, 2023 for mandatory furnishing/ updating of PAN, KYC details and Nomination by holders of physical securities otherwise RTA shall be constrained to freeze such Folio(s) effective from October 01, 2023. All the shareholders are requested to kindly update their KYC detail and fill up the required forms i.e. ISR-1, ISR-2, ISR-3, ISR-4, SH-13, SH-14. Members are requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 373, Industrial Area-A, Ludhiana – 141 003 or Registrar and Transfer Agent at M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055. The aforesaid forms can be downloaded from the website of the Company at [http://owmnahar.com/spinning/kyc\\_updation.php](http://owmnahar.com/spinning/kyc_updation.php).

**VII. OTHER DISCLOSURES**

**1. Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of the Company at large:**

During the year, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. During the year, the Company had not entered into any contract / arrangement / transactions with related parties which could be considered material in accordance with the provisions of Regulation 23 of SEBI LODR Regulations, 2015. However, the normal sale and purchase transactions which take place in the ordinary course of business on Arm's



length basis with the Group Companies are disclosed in the Notes to the Financial Statements as per applicable provisions.

**2. Details of Non-compliance by the Company, penalties, strictures imposed by Stock Exchanges or the Board or any Statutory Authority on any matter related to capital markets during the last three years:**

The Company continues to comply with the regulations of Stock Exchanges, SEBI or any statutory authority on all matters related to capital market during last three years. Thus no penalty/stricture imposed by Stock Exchanges on any matter related to capital markets during the last three years. However, on 30<sup>th</sup> December, 2021 company received an email having reference no. SOP-C review-(30-Dec-2021) and letter no. NSE/LIST/SOP/COMB/FINES/0822 wherein it was mentioned that a fine of Rs.4720 (including GST) under regulation 34 of SEBI (LODR) Regulation, 2015. (i.e.) delay in the uploading/filing of Annual Report by one day on the exchange system. The company replied to the said e-mail explaining the factual position and requesting for the waiver of the fine. After consideration of company's reply, the National Stock Exchange has accepted our request for waiver of the fine vide their letter dated 23rd May, 2022.

**3. Details of establishment of Vigil Mechanism/ Whistle Blower Policy:**

The Board, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2013, has established a Whistle Blower Policy/Vigil Mechanism for its directors and employees to report genuine concerns or grievances about the unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The Policy also enables the adequate safeguards against victimization of persons who use such mechanism. The Audit Committee regularly reviews the working of the Mechanism. The mechanism provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy/Vigil Mechanism is also posted on Company's Website and can be accessed at [http://owmnaahar.com/spinning/pdf/vigil\\_mechanism.pdf](http://owmnaahar.com/spinning/pdf/vigil_mechanism.pdf).

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

The Company has complied with all the mandatory requirements of Corporate Governance as

prescribed in SEBI (LODR) Regulations, 2015. Besides, the Company has also complied with the non mandatory requirements in respect of Corporate Governance as specified Part E of Schedule II of SEBI (LODR) Regulations, 2015 as detailed below:

- i. **Un-modified opinion(s) in audit report:** The Company is already in a regime of financial statements with un-modified audit opinion.
- ii. **Separate post of Chairperson and the Managing Director:** Mr. Jawahar Lal Oswal is the Chairman of the Company and Mr. Dinesh Oswal is Managing Director of the Company. Thus, the post of Chairman and Managing Director are held by different persons.
- iii. **Reporting of internal auditor:** The internal auditor may report directly to the Audit Committee.

The Company is yet to comply with other non mandatory requirements of the Corporate Governance as specified in Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

**5. Web link where policy for determining 'material' subsidiaries is disclosed:**

The requirement of policy for determining 'material' subsidiaries is not applicable to the Company as it does not have any subsidiary Company.

**6. Web link where policy on dealing with related party transactions is disclosed:**

The Company has formulated the Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, which can be accessed at <http://owmnaahar.com/spinning/pdf/RPT-NAHAR-SPINNING.pdf>.

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

The Company is engaged in the textiles Business and the Primary raw material for the manufacturing of the Yarns is raw cotton with the share of around 60% of total cost. The cotton being a seasonal agriculture produce, its supply, quality and prices are subject to forces of nature i.e. Monsoon. The Company purchases the raw cotton as per the Company procurement policy so that it is able to run its plant for the whole year. During the year, the Company has not dealt in any commodity market, thus there is no commodity price risk. Further, the Company is not involved in hedging/speculative activities.

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

The Company has not raised funds through preferential allotment or qualified institutions





placement as specified under Regulation 32 (7A) of Listing Regulations.

**9. Certification from Company Secretary in Practice:**

Mr. P.S. Bathla (C.P No. 2585), Proprietor of M/s. P.S. Bathla & Associates, Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such other authority. The certificate is attached with this Report.

**10. Recommendation of Committees:**

In the financial year 2022-23 the Board has accepted all recommendations of its Committees.

**11. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Directors' Report.

**12. Fees paid to Statutory Auditors:**

During the year company paid an Audit fees of Rs. 15,93,546/- and out of Pocket Expenses of Rs. 9951/- to Statutory Auditors.

**13. Dividend Distribution Policy:**

As per regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021, top 1000 listed companies determined on the basis of Market Capitalization as at the end of the immediate financial year are required to formulate a Dividend Distribution Policy. The Company's ranking was 990 on the basis of the market capitalization as at the end of the immediate previous financial year at NSE. The Board of Directors in their Meeting held on 31<sup>st</sup> May, 2021 has already approved and adopted the Dividend Distribution Policy. This policy sets out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The policy is available at company's website and can be accessed at [http://www.owmnaahar.com/spinning/pdf/dividend\\_distribution.pdf](http://www.owmnaahar.com/spinning/pdf/dividend_distribution.pdf)

**14. Business Responsibility and Sustainability Report:**

Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

requires that top 1000 listed entities based on market capitalization shall submit a Business Responsibility and Sustainability Report (herein referred as BRSR) in the format prescribed by the SEBI from time to time. We would like to inform you that company as on 31<sup>st</sup> March, 2023 has been ranked 990 by the National Stock Exchange, Mumbai on the basis of Market Capitalization, calculated as on March 31, 2023. Hence, the Company is required to submit a Business Responsibility and Sustainability Report for the financial year 2022-23. Accordingly, Business Responsibility and Sustainability Report is attached with the Director's Report as Annexure VII indicating company's performance against the principles of 'National Guidelines on Responsible Business Conduct'.

**15. Insurance Policy For Directors And Officers**

As per Regulation 25 (10) of Listing Regulations, top 1000 listed entities are required to undertake Director and Officer Insurance Policy. The company falls under the category of top 1000 listed entities. For ensuring good Corporate governance and also to comply the regulation of SEBI (LODR) Regulations, 2015 company has already taken Directors and Officers insurance ('D and O insurance') Policy.

**16. Prevention of Insider Trading:**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations) as amended, the Company has accordingly amended its "Code of practices and procedures for fair disclosure of unpublished price sensitive information" and "Code of Conduct to regulate, monitor and report trading by insiders. The Codes help to regulate trading in securities by the designated persons. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary being the Compliance Officer is responsible for implementation of the Code. Pursuant to provisions of Regulation 3(5) and 3(6) of PIT Regulations, the Company has a Structured Digital Database (SDD) in place and is maintained as per the requirements stipulated under PIT Regulations.

**17. Reconciliation of Share Capital Audit**

Pursuant to Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, every issuer company shall submit audit report on a quarterly



basis for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form, the details of changes in share capital during the quarter and the in-principle approval obtained by the issuer from all the stock exchanges where it is listed in respect of such further issued capital. The said certificate duly certified by a Practising Company Secretary is submitted to the Stock Exchanges within 30 days of the end of each quarter.

**18. CEO and CFO Certification**

As required under Regulation 17(8) of SEBI (LODR) Regulations, 2015, a Certificate duly signed by the Managing Director and Chief Financial Officer was placed at the meeting of Board of Directors held on 30.05.2023.

**19. Disclosure of Loans And Advances:**

The disclosure in relation to Loans and Advances (in the nature of loan) provided by the Company to firms/companies in which its Directors are interested are given in the 'Notes to Financial Statements'.

**VIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF:**

The Company has complied with all the requirements of Corporate Governance Report from sub-para (2) to (10) of Part C of Schedule V of SEBI LODR Regulations, 2015.

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

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

**X. CODE OF CONDUCT**

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standard of transparency. Accordingly, the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. The Code of Conduct suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. The code of

conduct is also available on Company's website i.e. www.ownahar.com. The Board members and senior management personnel affirm the compliance of this Code annually. A declaration by the Managing Director/CEO in terms of SEBI LODR Regulations, 2015 to the effect that members of the Board and senior management personnel have affirmed compliance with this Code of Conduct is attached with this Report.

**XI. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

- a. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b. Number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- c. Number of shareholders to whom shares were transferred from suspense account during the year: Nil
- d. Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil
- e. That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

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

In compliance of SEBI Circular No. SEBI/HO/MIRSD/PoD-1/OW/P/2022/64923 dated December 30, 2022, the Company has opened a 'Suspense Escrow Demat Account' for crediting the shares where the shareholder fails to submit the demat request to the Depository Participant within a period of 120 days from the date of issuance of letter of confirmation. Shareholders can claim these shares transferred to 'Suspense Escrow Demat Account' on submission of necessary documentation.

**XII. DISCLOSURE OF AGREEMENTS UNDER REGULATION 30A OF SEBI LODR REGULATIONS, 2015**

During the year under review, the Company has not entered into any agreement as specified in clause 5A of para A of part A of schedule III of SEBI LODR Regulations, 2015.

**FOR AND ON BEHALF OF THE BOARD**

Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023

**JAWAHAR LAL OSWAL**  
(CHAIRMAN)  
(DIN: 00463866)

**MANAGING DIRECTOR'S DECLARATION**

Pursuant to the requirement of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all Board Members and Senior Management Personnel of the Company (as defined in the above said Regulations) have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel' for the year ended 31<sup>st</sup> March, 2023.

Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023

**DINESH OSWAL**  
(MANAGING DIRECTOR)  
(DIN: 00607290)

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

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

To  
The Members  
Nahar Spinning Mills Limited  
Ludhiana

I have examined the relevant records of **M/s NAHAR SPINNING MILLS LTD** for the purpose of certifying compliance of requirements in Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31<sup>st</sup> March, 2023.

On the basis of disclosures/declarations received from the Directors and taken on record by the Board of Directors and according to the verifications (including DIN Status of Directors at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company. I hereby certify that none of the ten Directors on the Board of the Company as stated below for the Financial Year ended as on 31<sup>st</sup> March, 2023, has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI / Ministry of Corporate Affairs or any such other statutory authority.

Sl. No	Name of Director	DIN	Date of appointment in Company
1.	Mr. Jawahar Lal Oswal	00463866	30/09/1992
2.	Mr. Dinesh Oswal	00607290	21/05/1985
3.	Mr. Kamal Oswal	00493213	30/09/1991
4.	Mr. Dinesh Gogna	00498670	21/05/1985
5.	Mr. Satish Kumar Sharma	00402712	15/01/2007
6.	Mr. Vijay Asdhir	06671174	26/09/2017
7.	Ms. Manisha Gupta	06910242	26/09/2017
8.	Mr. Roshan Lal Behl	06443747	29/09/2020
9.	Mr. Yash Paul Sachdeva	02012337	24/08/2022
10.	Mr. Anchal Kumar Jain	09546925	24/08/2022

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

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

**For P.S. Bathla & Associates**  
**Company Secretaries**

Sd/-

**P.S. Bathla**  
(Proprietor)

Place: Ludhiana  
Dated : 9<sup>th</sup> August, 2023  
UDIN : F004391E000767032

FCS: 4391/CP No. 2585  
Peer Review No.1306/2021

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

*(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To

The Members,  
Nahar Spinning Mills Limited,  
Ludhiana

We have examined the report of Corporate Governance presented by the Board of Directors of **NAHAR SPINNING MILLS LIMITED** for the year ended 31<sup>st</sup> March, 2023 as stipulated in Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the same.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the Directors and Management, we hereby certify that the Company has duly complied with the conditions of Corporate Governance as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For P.S. Bathla & Associates  
Company Secretaries**

Sd/-

**P.S. Bathla  
(Proprietor)**

**FCS: 4391/CP No. 2585**

**Peer Review No.1306/2021**

**Place: Ludhiana**

**Dated : 9<sup>th</sup> August, 2023**

**UDIN : F004391E000767551**

**Annexure VI****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMIC SCENARIO**

The Global Economies are witnessing a sharp slowdown with high rate of inflation. The continued geopolitical tensions, conflict between Russia & Ukraine, sharp rise in the fuel and food prices and lingering COVID-19 pandemic continues to weigh heavily on the world economies. The tightening of the monetary policy and increase in the interest rates by the various Central banks across the world has given a short term relief to the economies but the outlook of world economy is still uncertain. The projected Global growth is expected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. (Source: IMF-World Economic Outlook, July 2023).

In spite of the above said challenges, India remained one of the fastest growing economy in the world. It is expected that Indian Economy is likely to grow between 6.5 to 6.9 percent in the Financial Year 2023. This seems to be relatively good performance in comparison to other large economies of the world. The Government continued thrust on structural reforms and policy initiatives like Production Linked Incentive Scheme (PLI), Make in India Program, Higher spending on social welfare, Health care and Infrastructure etc. will give further push to Indian Economy and thus help in becoming the world's 'Third largest' economy by 2027.

**INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Indian Textile Industry is one of the largest in the World, enjoying its presence in the entire value chain i.e. cotton, yarn, fiber and apparel. India is one of the largest manufacturer and exporter in the world and has a share of 4.6% of global trade in textiles. The Textile Industry continues to play a dominant role in the economic growth of the country. Its importance is evident from the fact that it is the largest contributor towards employment generation, Industrial Output and Export earnings. The industry is sustaining livelihoods to million of people in rural and semi urban areas by providing them employment directly and indirectly, including a large number of women and rural population. The sector has perfect alignment with Government's key initiatives of 'Make in India', Skill India, Women Empowerment and Rural Youth Employment. The Industry is contributing 7% of Industry output in value terms, 2% of India's GDP and contributing 12% to the country's total exports earning. (Source: *Textile Industry of India Outlook and Challenge by Infomerics Valuation and Rating Pvt. Ltd.*)

The ongoing global slowdown coupled with sharp

increase in the prices of raw cotton are posing serious challenges to the Textile Industry. In case the situation persists for the longer period then earning a reasonable margin will become a challenging task for the Textile Industry. Because of the prevailing Textile scenario, Spinning Mills have already cut down their production in the past few months. Even some small mills have closed down their operations due to prevailing adverse conditions.

Your Management is of the opinion that things will start improving in the Second Half of the current year. The Industry with the support of Government and its favorable Policies and initiatives will be able to meet the challenges of survival and record reasonable growth in the coming periods.

**OPPORTUNITIES AND THREATS**

We would like to inform that presently India's share in the Global Textile export is just 4.6% which is minuscule as compared to China's Share. The trade tension between U.S. and China coupled with geo-political uncertainties has severely affected Chinese Textile Exports. It has provided an opportunity to the Indian Textile industry to grab the space vacated by China in the developed world especially in US and European Union. The Textile Industry must effectively utilize its fundamental strength of strong production base, availability of good quality raw cotton, skilled man power etc. and become a Textile hub for the International Buyers. This is a huge opportunity and it must be availed by the Textile Industry.

Moreover, in the changed global scenario, several countries have started working on 'China plus One' strategy for the requirement of Textile Products. India should capitalize this opportunity and present itself as a credible alternative. India certainly has an edge to be an alternative manufacturing hub for global players as two major things required to run textile Industry are cotton and skilled work force and they are abundantly available in the country. More and more overseas buyers are looking at India as the next best alternative supplier of textile products and it is expected that more orders will shift to Indian Textile Industry.

We would also like to inform that relative success of the Spinning Industry is dependent on the availability of Raw Cotton at reasonable prices. The Raw cotton is the main Raw material (constituting approx. 60% of the total cost) for the manufacture of cotton yarn and it is dependent on the Nature i.e. Good/Bad Monsoon. So availability of raw cotton at reasonable prices is crucial for the spinning



Industry. Any significant change in raw cotton prices and Monsoon can affect the performance of the Industry. This year steep increase in the prices of raw cotton has severally impacted the performance of the Textile Industry.

Besides, exports continues to face stiff challenges from the small countries like Bangladesh, Sri Lanka and Taiwan etc., who have got the preferred treatment from the countries of European Union and U.S. The above mentioned factors have had and will continue to have a significant bearing on the financial performance of the Industry in the coming period too.

The Textile Industry is also not free from normal business risks and threats. The slowdown in the Global Trade because of the Geo political tension, High prices of raw cotton and lingering Covid-19 Pandemic in several countries, has affected exports of textile products. In case the situation continues then it may pose a threat to the performance of the industry in future too.

#### **FUTURE OUTLOOK**

The prevailing Geo-Political situation has severally affected textile industry. The high cotton prices coupled with slackness in Global demand have affected the fortunes of the Textile Industry. The Future is still not clear. Your management is looking at the future with optimism and expects that with the improvement in the global demand and softening of raw cotton prices in the coming periods, will give relief to the Textile Industry. We expect that in this challenging period, Government will support the Spinning industry in the form of favorable Textile policies, incentives and other benefits which are of paramount importance for the future growth of the Industry.

#### **RISK AND CONCERNS**

No industry is free from normal business risk and concerns. Indian Textile Industry continues to face stiff competition from small countries like: Bangladesh, Taiwan Sri Lanka and other emerging economies. The relative competitiveness of Industry is dependent upon the raw cotton prices, exchange rates and prevalent interest rates regime. The primary raw material for the manufacturing of yarn is cotton which is an agriculture produce. Its supply and quality are subject to forces of nature i.e. Monsoon. Any increase in the prices of raw cotton will make the things difficult for the Textile Industry resulting weak demand and thin margins. Thus availability of raw cotton at the reasonable prices is crucial for the spinning industry. Any significant change in the raw cotton prices can affect the performance of the Industry.

The high rate of interest is affecting the financial

performance of the Textile Industry. The Spinning industry being more capital intensive requires huge funds, long term as well as short term in the form of working capital for its running. The Government must support the industry by providing cheap finance so that the industry remains financially viable. Though Government has taken some remedial measures in this regard but still a lot more is required so that the Textile Industry could meet the challenges ahead.

Moreover, the ongoing conflict between Russia and Ukraine and prevailing Geopolitical situation has caused supply chain disturbances and has thus affected global trade. The prevailing weak economic scenario, high prices of oil and energy, have caused slow down of the Global economies. The future is still uncertain and no one knows where it will lead to us? Thus, your Company consider it a possible risk and concern to the Industry.

In addition to the above, the other concerns like higher transaction costs, high cost of labour, continuously increasing prices of raw material are posing a risk to the growth of Indian Textile Industry. The Government should extend a helping hand to the existing Textile Units so that they can become globally competitive and contribute towards the growth of the country.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company is maintaining an efficient and effective system of Internal Financial Control for facilitation of speedy and accurate compilations of financial statements. The Company's Internal Financial Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliances with procedures, laws and regulations. The Company's Internal Control System commensurate with the nature of its business and size of its operations. In order to further strength the Internal Control System and to automate the various processes of the business, Company is making use of SAP S4 HANA application, which is based on SAP HANA database. It keeps all the data in memory which results in data processing that is magnitude faster than that of disk based system, allowing for advanced, real time analytics.

We wish to inform you that the period of the office of M/S Piyush Singla & Associates, Chartered Accountants, who were appointed as Internal Auditors of the Company for the FY 2022-23 has expired and because of their pre-occupation have expressed their inability to continue in the office for the next year. Accordingly, pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, Rules



2014, M/s Raj Gupta & Co., Chartered Accountants having Firm Registration No. 000203N appointed as Internal Auditors of the Company for the FY 2023-24.

The company is also having internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year under review, company's Internal Controls were tested and no reportable weakness in the system was observed.

Apart from the above, an Audit Committee consisting of three Non Executive Directors has been constituted. All the significant audit observations and follow up actions thereon are taken care by the Audit Committee. The Audit Committee also oversees and reviews the adequacy and effectiveness of Internal Controls in the company. The Audit Committee met four times during the financial year under review. The company has also established a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014.

#### **SEGMENT WISE OR PRODUCT WISE FINANCIAL OPERATION AND PERFORMANCE**

The Company is operating in single segment only i.e. Textile. We would like to inform you that ongoing conflict between Russia & Ukraine coupled with Global demand recession has impacted the company's performance during the year. High cotton prices and drastic fall in the prices of the yarns further aggravated the problems for the spinning industry.

Because of the reason stated above, company's top line as well as bottom was severally impacted. The company could achieve a total income of Rs. 2841.22 crores showing a downfall of 21.26% from the previous year. Likewise, the export at Rs. 1135.16 crores has also shown a decline of 47.82% when compared with the previous year. The company could earn a profit before tax of Rs.150.34 crores only as against profit of Rs. 674.73 crores showing a drastic fall of 77.72% as compared to previous year. The Company earned a net profit of Rs. 110.79 crores as against profit of Rs. 502.19 crores showing a fall of 77.94% as compared to previous year.

The detailed performance has already been discussed in the Director's Report under the column 'Operational Review and State of Affairs'.

#### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

Beyond Balance Sheet lies Company's singly biggest Asset Human Resources. The Company is of firm belief

that the Human Resources are the driving force that propels a Company towards progress and success. The Company continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

The total permanent employee's strength of the Company was 9868 as on 31st March, 2023. The industrial relation continued to remain cordial during the year.

#### **SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS**

The SEBI LODR (Listing Obligation and disclosure requirements) (Amendment) Regulations, 2018 has mandated that Company should provide detail of Significant Changes in Key Sector Financial ratios. We would like to inform you that in the following key financial ratios there have been Significant Change as compared to the last year:

Particulars	Financial Year 2022-23	Financial Year 2021-22
INTEREST COVERAGE RATIO	3.12	4.41
DEBT EQUITY RATIO	0.47	0.63
OPERATING PROFIT MARGIN RATIO	9.68	24.09
NET PROFIT MARGIN RATIO	3.96	13.97
RETURN ON CAPITAL EMPLOYED	0.08	0.28
RETURN ON EQUITY RATIO	0.07	0.40
TRADE PAYABLE TURNOVER RATIO	34.34	108.41

The change in Interest Coverage Ratio is because of lower profitability during the year ended 31<sup>st</sup> March, 2023. The Debt Equity ratio is lower because of lower availing of working capital limits. Further, change in Operating Profit Margin Ratio, Net Profit Margin Ratio, Return on Capital Employed and Return on Equity Ratio is because of drastic fall in the net profits from 502.19 crores to 110.79 crores. The fall in Trade Payable Turnover Ratio is due to lower purchase coupled with increase in creditors.

Your management is quite optimistic that with the recovery in the Global Trade company will be able to perform better in the coming periods.

#### **Cautionary Statement**

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

**FOR AND ON THE BEHALF OF THE BOARD**

Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023

**JAWAHAR LAL OSWAL**  
(CHAIRMAN)

**Annexure VII****BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT****SECTION A: GENERAL DISCLOSURES****I. Details of the listed entity:**

1.	Corporate Identity Number (CIN) of the Listed Entity	L17115PB1980PLC004341
2.	Name of the Listed Entity	Nahar Spinning Mills Limited
3.	Year of incorporation	1980
4.	Registered Office Address	373, Industrial Area-"A", Ludhiana, Punjab-141003
5.	Corporate Office Address	373, Industrial Area-"A", Ludhiana, Punjab-141003
6.	E-mail id	secnsm@owmnaahar.com
7.	Telephone	91-161-2600701 to 705, 91-161-2606977 to 980
8.	Website	www.owmnaahar.com
9.	Financial Year for which Reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd & National Stock Exchange of India Limited
11.	Paid-up Capital	Rs.1803.27 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Brij Sharma Company Secretary and Compliance officer E-mail Address: secnsm@owmnaahar.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a standalone basis

**II. Products/Services:****14. Detail of Business activities (accounting for 90% of the turnover)**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacture and Export of yarns and knitted garments	100 %

**15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Textile	131	100%





**III. Operations**

**16. Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	8	1	9
International	--	--	--

**17. Markets served by the entity:**

**a. Number of locations:**

Locations	Number
National (No. of States)	12
International (No. of Countries)	35

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

The contribution of exports as a percentage of the total turnover of the entity is 40.58% approx.

**c. A brief on types of customers:**

For export of its product, company is working Directly as well as through Agents with the overseas customers. In the domestic market the company is supplying its products to reputed Big Corporate and Medium customers in the knitted/weaving/garments and customers manufacturing terry towels, bed linen, denim, bottom weight, shirting and furnishing fabrics.

**IV. Employees**

**18. Details as at the end of Financial Year:**

**a. Employees and workers (including differently abled):**

**Employees:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	1688	1635	96.86	53	3.13
2.	Other than Permanent (E)	--	--	--	--	--
3.	<b>Total employees (D + E)</b>	1688	1635	96.86	53	3.13

**Workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	8180	5414	66.18	2766	31.81
2.	Other than Permanent (E)	--	--	--	--	--
3.	<b>Total employees (D + E)</b>	8180	5414	66.18	2766	31.81

**b. Differently abled Employees and workers:**

**Employees:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	04	04	100	--	--
2.	Other than Permanent (E)	--	--	--	--	--
3.	<b>Total employees (D + E)</b>	04	04	100	--	--

**Workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)	34	22	64.70	12	35.30
2.	Other than Permanent (E)	--	--	--	--	--
3.	<b>Total employees (D + E)</b>	34	22	64.70	12	35.30



**19. Participation/Inclusion/Representation of women:**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors (including MD)	10	1	10
Key Management Personnel	3	--	--

**20. Turnover rate for permanent employees:  
(Disclose trends for the past 3 years)**

	FY 2022- 2023			FY 2021-2022			FY 2020-2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Permanent Employees</b>	17%	38%	17%	16%	39%	16%	13%	26%	13%
<b>Permanent Workers</b>	40%	43%	41%	39%	42%	40%	35%	42%	37%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

**21. (a) Names of holding / subsidiary / associate companies / joint ventures:**

S. No.	Name of the holding / subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/Subsidiary/As sociate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Not Applicable				

**VI. CSR Details:**

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes  
(ii) Turnover - Rs. 2796.91 Crores  
(iii) Net worth - Rs.1540.25 Crores

**VII. Transparency and Disclosures Compliances**

**23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023			FY 2021-2022		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes whistleblowersml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Investors (other than shareholders)	Not Applicable						
Shareholders	Yes (gredressalnsml@owmnahar.com)	NIL	NIL	-	NIL	NIL	-
Employees	Yes whistleblowersml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Customers	Yes whistleblowersml@owmnahar.com	NIL	NIL	-	NIL	NIL	-
Value Chain Partners	Yes whistleblowersml@owmnahar.com	NIL	NIL	-	NIL	NIL	-

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Because of present Geo Political Situation several countries has started working on 'China plus one' policy. This has provided an opportunity to the textile industry to increase its share in the global markets.	O	Rationale for identifying the overseas buyer do not want to depend on the one country for their supply and they are looking at the India as the best for textile product.	NA	It is expected that overseas buyers will shift their orders to Indian Textile industry and thus industry will be able to increase its Top Line as well as Bottom Line
2.	The company has installed Solar power facility and is using the same for its Spinning units which is helping in reducing GHG and moving towards a sustainable environment. Besides the company is using clean/ green energy as it has installed boilers with bio mass fuels.	O	<ul style="list-style-type: none"> <li>To get uninterrupted and Clean Energy.</li> <li>The company is making use of Roof top Solar Power Plant to save on electricity cost.</li> <li>Customers value the company for its sustainable environment initiative and this will have positive impact on company's performance.</li> </ul>	NA	Cost saving being positive financial impact
3.	Use of Good quality raw cotton for yarn production.	R	Cotton is the main raw material for the manufacturing of yarns but is dependent on Monsoon, which is getting impacted by global warming. Any change in the monsoon good or bad may impact the cotton crop as well as its prices both ways.	Buying and storing raw cotton during season time to address any shortfall during the year. Import is another option which can be explored during emergency situation.	It can negatively affects company's financial performance
4.	Environmental Footprint -Water Management	R	Water scarcity can impair the company's operations and disrupt business.	Employee education for saving water and making efficient use of water in units, Rain water harvesting, recycling of waste water	Negative
5.	Environmental Footprint -Waste Management	R	Inadvertent non-compliance to existing and emerging regulations around recycling and the circular economy can result in economic penalties and reputation damage.	Reduction in waste generation, maximization of recycling and reuse.	Negative
6.	Human rights	R	Human rights violations or non-compliance with statutory norms can lead to loss of reputation.	The Company has defined policies and guidelines to ensure that principles of human rights are followed in word and spirit. The company ensures that all those connected with company's workplace, supply chain and distribution chain are treated with respect, dignity and fairness.	Potential human rights violations and non-compliance can cause damage to corporate reputation and have financial repercussions.
7.	Corporate Governance – Board oversight, Conflict of Interest, Ethics, Risk and Compliance, Succession Planning	R	Effective compliance to the corporate governance is core to achieving the organization's mission and goals. The non compliance of SEBI (LODR) Regulations,2015 and other rules and regulations can undermine stakeholder trust, damage reputation and disrupt business.	Kindly Refer Annexure-V to the Board's report for the annual report on Corporate Governance	Negative
8.	Environment, Health & Safety (EHS)	R	Emissions and hazardous wastes may result in operational disruptions.	<ol style="list-style-type: none"> <li>The Company has ISO 14001: 2004 (Environmental Management Systems) certified.</li> <li>The Company has in place sound Governance policies and procedures for EHS, including monitoring by Sr. Management.</li> <li>The Company is committed for protection and restoration of the environment. The Company treats all its post-process water in its effluent treatment plant and further purifies it via reverse osmosis before returning it to the environment, implying Zero discharge.</li> </ol>	Risk of potential health hazards and/ or accidents due to non compliance with defined EHS norms and guidelines resulting in production disruptions, potential financial losses and statutory fines / penalties
9.	High Intensity of Noise Pollution	R	Machines Continuously Running on High Speed create high intensity of noise.	Company has provided ear plugs to its employees for working in a noise free and soothing environment	No Material Financial implication.



**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

- P1 Business should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 Businesses should promote the wellbeing of all employees
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- P5 Businesses should respect and promote human rights
- P6 Business should respect, protect, and make efforts to restore the environment
- P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8 Businesses should support inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	The policies are available on the company's website i.e. <a href="http://www.ownahar.com">www.ownahar.com</a> under the head "Policies"								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fair trade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	<ul style="list-style-type: none"> <li>● Control Union Certification of GOTS, OCS &amp; GRS</li> <li>● BCI Certification</li> <li>● Fair Trade</li> <li>● Oeko-Tex Certification</li> <li>● ISO-9001/14001</li> <li>● BEPI</li> <li>● HIGG</li> </ul>								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	N	N	N	Y	N	N	N
6. Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	NA	NA	NA	NA	NA	Y <sup>1</sup> (See Note)	NA	NA	NA
<b>Governance, leadership and oversight</b>									
7. <b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:</b> In the current geopolitical environment, the success of the business is not only measured in financial terms, but also whether the business has integrated ESG (Environmental, Social and Governance) into their business. The business can succeed and sustain its good performance, if society thrives. The company is committed to making the business truly sustainable and socially responsible and is focusing to address diverse social and environmental challenges by taking steps on Environmental issues, Waste Recycling, Health & Safety, Ethics & Governance. The company support and promote community development and environmental protection.									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. Dinesh Oswal Designation: Managing Director DIN: 00607290								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	The Board of Directors of the company is responsible for managing the sustainability issues of the company. The board is supported by: Corporate Social Responsibility committee Risk Management Committee								



- **Note: Y<sup>1</sup>** The company's goal is to use maximum solar power in its spinning units. The company has already installed 2800KW roof top solar plant capacity at company's spinning unit at Mandideep. Further, the Company is in the process of installing roof top solar plant with a capacity of 732KW at company's spinning unit at village jitwal kalan, Distt. Malerkotla and 2200 KW capacity at company's spinning unit at Village Lalru and Lehli, Distt. S.A.S Nagar. After completion of the said project the company's total roof top solar plant capacity stand increased to 8486KW in the company's spinning units. Thus company's spinning units are generating clean & green energy and saving environment too. This has also resulted in saving of electricity cost to the company.
- The company has started replacing old Ring Frame Bobbins with low weight Bobbins leading to saving of power by 2%. The company has also started replacing normal Poly amide Spindle tapes with Polyester Spindle tapes. This gives additional saving of 2% Power due to low slippage at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.
- The company has upgraded waste collection system and yarn conditioning plant which will lead to extensive power saving at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.
- The Company is continuously monitoring Compressed air Consumption by redeeming Leakage of Machines so that it can save on energy.

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	All principles are reviewed by the Board of Directors. Additionally, audit committee reviews the code of business principles supported by CSR committee on social and environmental projects.									Whenever there are changes in the laws and policies. The policies linked with principle are reviewed at least once in a year.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Board of Directors reviews the Statutory Compliances on applicable laws.									Quarterly								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.										P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
										N	N	N	N	N	N	N	N	N

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	<b>Not Applicable</b>								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

**SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE**

**PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Governance:** The Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company believes in the conduct of the affair in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior in the organization. The Company has a Code of Conduct for its Directors, Senior Management Personnel. The Company's Employees also abide by the Code of Conduct, which prohibits abusive, corrupt and unfair practices. The company has Vigil mechanism / Whistle blower policy for directors and employees.



The Company communicate about the access of information about any decision that may impact any of the relevant stakeholders and fairly discloses all necessary legal and financial disclosures and disseminates it to the stakeholders through the Stock Exchanges, Company's website, Annual Report, Newspapers, etc. To ensure accountability and monitoring, the Board has constituted various committees such as the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee. These committees meet periodically during the year to supervise, review performance and advice for corrective direction.

**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information:**

The Company has established a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and is cognizant of its responsibility towards protecting and maintaining the confidentiality and disclosure of price-sensitive information in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information not only conforms to the regulatory requirements but also instils a sense of responsibility among the designated persons for protecting and maintaining confidentiality.

**Grievance redressal mechanism:**

The Company has effective grievance redressal mechanism for receiving and dealing with the concerns, complaints of its stakeholders. The buyer / consumers can raise their concerns through emails, call or personal meetings. The Committee on Prevention of Sexual Harassment (POSH) addresses all sexual harassment complaints. The Company has received no complaints on sexual harassment during the reporting year. The company has designated email id [gredressalnsml@ownahar.com](mailto:gredressalnsml@ownahar.com) for receiving and addressing investor grievances.

<b>Essential Indicators</b>			
<b>1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:</b>			
<b>Segment</b>	<b>Total number of training and awareness programs held</b>	<b>Topics / principles covered under the training and its impact</b>	<b>% age of persons in respective category by the awareness programs</b>
<b>Board of Directors</b>	2	<ul style="list-style-type: none"> <li>Financial controls, Financial Management Compliance, Corporate social Responsibility, Board effectiveness, Strategic Direction, Meetings and Performance Assessment;</li> <li>Roles, Functions, Duties, Responsibilities and Liabilities of Independent Directors;</li> <li>Directors Responsibility statement forming part of Boards' Report;</li> <li>Vigil Mechanism/Whistle Blower policy including Policy formulation, Disclosures, Code of Conduct for Independent Directors, Code of Conduct for Directors etc.</li> <li>Risk Management systems &amp; framework;</li> <li>Board Evaluation process and procedures.</li> </ul>	100%
<b>Key Managerial Personnel</b>			
<b>Employees other than BoD and KMPs</b>	426	Fire Fighting Drills,	95.50%
	163	First+ Aid Training,	49.38%
<b>Workers</b>	254	Use of PPE's Training,	91.88%
	231	Health & Safety Training,	92.63%
	189	Ergonomic Training,	87.13%
	35	Chemical Handling Training	51.25%
	398	Skill Enhancing	58.88%
	215	Human Right Issues	88.75%
<b>2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website:</b>			



<b>Monetary</b>					
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Amount (In INR)</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>
Penalty/ Fine	NIL	NA	NA	NA	NA
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA
<b>Non-Monetary</b>					
	<b>NGRBC Principle</b>	<b>Name of the regulatory/ enforcement agencies/ judicial institutions</b>	<b>Brief of the Case</b>	<b>Has an appeal been preferred? (Yes/No)</b>	
Imprisonment	NIL	NA	NA	NA	
Punishment	NIL	NA	NA	NA	
<b>3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.</b>					
<b>Case Details</b>			<b>Name of the re-enforcement agencies/ judicial institutions</b>		
<b>NOT APPLICABLE</b>					
<b>4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.</b>					
The entity does not have any specific anti-corruption or anti-bribery policy, however the company has code of conduct for its Directors, Key Managerial Personnel and Senior Management Personnel. Their affirmation to the code of conduct is communicated to all stakeholders by Managing Director, through a declaration in the Annual Report. The company's employees also abide by the code of conduct, which prohibits corrupt and unfair practices.					
<b>5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption: Nil</b>					
<b>6. Details of complaints with regard to conflict of interest:</b>					
	<b>FY 2022-23</b>		<b>FY 2021-22</b>		
	<b>Number</b>	<b>Remarks</b>	<b>Number</b>	<b>Remarks</b>	
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A	Nil	N.A	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N.A	Nil	N.A	
<b>7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable</b>					

<b>Leadership Indicators</b>		
<b>1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:</b>		
<b>Total number of awareness programmes held</b>	<b>Topics / principles covered under the training</b>	<b>%age of value chain partners covered (by value of business done with such partners) under the awareness programmes</b>
NIL	NIL	NIL
<b>2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)- If Yes, provide details of the same.</b>		
The company is engaged in the manufacturing and exports of textile products i.e. yarns and knitted garments to several countries of the world. The working and systems being followed by the company are such that conflict of interest involving member of the Board and KMPs does not arise. Moreover, Directors of the Company are required to disclose to the Board, on an annual basis, whether they, directly or indirectly or on behalf of third parties, have any material interest in any transaction or matter directly affecting the Company and the company has code of conduct for its Directors, Senior Management Personnel which helps in avoiding the conflict of interest.		



**PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE:**

The Company continued its efforts to adopt more sustainable raw material and process to expand the offering of sustainable products. Emphasis is given on manufacturing sustainable products like 100%, organic cotton yarn and BCI yarn. The Company has a dedicated, experienced design team comprising of professional closely tracking the global trend.

**Essential Indicators**

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Category	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	0.43	The company has R&D department in its all units. Expenditure including capital expenditure toward R&D is about 0.25% of total Turnover.	The company has been able to produce high quality yarns with low energy (in units) and has thus helped in saving the environment too.
Capex	0.21		

- 2. a. Does the entity have procedures in place for sustainable sourcing: Yes**  
**b. If yes, what percentage of inputs were sourced sustainably?**
- The Company is using sustainable fibres like cotton, organic cotton, fair trade cotton, BCI cotton, recycled Polyester, liva (viscose), modal, tencel and bamboo fibre. We have consumed more than 50% sustainable fibre of the total fibre consumed.
  - The Company ensures that the dyes and chemicals in dye house are Azo free, NPEO and APEO phenyls, and formaldehyde 100% free.
- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

S.No.	Material	Mode	Description
1	Plastics	Recycler	Under Extended Producer Responsibility (EPR) program through registered recycler under plastic waste management act
2	E-waste	Recycler	Scrap of E-waste being sold to registered recycler under government
3	Batteries	Buyback	Disposed under buy back policies with OEMS.
4	Hazardous Waste	Treatment/ Safe disposal	Waste water is treated and recycled back into process for resource conservation. The Company has also taken initiatives to recharge rain water and installed rain water recharging pits in all of its units and has thus saved water as well as energy by improving ground water table. ETP sludge is being dried and sent to Ramky Enviro Engineers Limited (Unit – Punjab Waste Management Project) in notified place, at Village Ninbuva, Tehsil Derabassi, Dist. Mohali, Punjab for safe disposal of sludge. Used/Spent Oil, discarded empty drums sent to authorized vendor for recycling.
5	Other Non-Hazardous Waste	Recycle	Sent to authorized vendor for recycling

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The company is responsible for safe disposal of the waste generated during production process. For this purpose the company has signed agreement with the agencies approved by the State Pollution Control Board for disposal of ETP sludge and E waste. The plastic waste is also sold to buyers approved by the State Pollution Control Board.

**Leadership Indicators**

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

No life cycle perspective /assessment (LCA) has been done.

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**
- Not applicable





**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Raw Material (cotton & other fibre) used during the year 99961.944 M.Ton in value terms amount is Rs. 1817.84 crore. The waste reused during the year: 3754.49 M.Ton and in value terms the amount is Rs. 68.27 crores. Thus in quantity terms the percentage is 3.37%. and in value terms percentage is 3.32%.

Apart from this 370.241 M. Ton recycled fibre valued Rs. 3.68 Crore had been purchased and used during the year, the percentage is 0.202 %.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2022- 2023			FY 2021-2022		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	NIL	NIL	316.31 M. ton + 43007 Nos.			
E-waste	NIL	NIL	0.486 M. ton			
Battery waste	NIL	NIL	0.360 M. ton			
Hazardous waste: 1. ETP Sludge 2. Used Oil.	NIL	NIL	455.79 M. ton 1.102 M.ton			
Other waste 1. Textile Waste	3542.06 M.ton		26198.64 M.ton			
2. Other waste (M.ton) (Nos.) (Mtrs.)		212.43 M.ton	1095.35 M.ton 17462 Nos. 216 Mtrs.			

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

**PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS**

Beyond Balance Sheet lies Company's singly biggest Asset Human Resources. The Company is of firm belief that the Human Resources are the driving force that propels a Company towards progress and success. The Company continued its policy of attracting and recruiting the best available talent so that it can face business challenges ahead. The Company also offers attractive compensation packages to retain and motivate the professionals so that they can give their best.

The Company's continuous endeavor is to provide a safe, productive and positive environment for our employees that are free from any form of discrimination, including but not limited to sexual harassment. The company always supports its workforce so that they can maintain a healthy work-life balance and develop their professional as well as personal skills.

The Company endeavors to provide equal opportunity to each individual by evaluating him/her on its performance and ensure that there is no discrimination amongst its employees based on caste, creed, religion, disability, gender, age, sexual orientation, race, colour, ancestry, marital status and medical background. The Company has received no complaints related to Sexual harassment, Discriminatory employment, child labour, forced labour or any form of involuntary work.

Essential Indicators											
1. a. Details of measures for the well-being of employees:											
Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
Permanent Employees											
Male	1635	Covered through ESI and some employees who are exempted from ESI are getting medical allowances	1635	100	Covered through ESI		N.A.		Have creches in all units		
Female	53		53	100	Maternity Leave (with Full Salary) for 6 months)						
Total	1688		1688	100							
Other than Permanent Employees											
Male	N.A.										
Female	N.A.										
Total	N.A.										



<b>b. Details of measures for the well-being of workers:</b>											
Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent Workers</b>											
Male	5414	Covered through ESI		5414	100	Covered through ESI		N.A.		Have creches in all units	
Female	2766			2766	100						
<b>Total</b>	8180			8180	100						
<b>Other than Permanent Workers</b>											
Male	N.A.										
Female											
<b>Total</b>											
<b>2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.</b>											
Benefits	FY 2022-2023			FY 2021- 2022							
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)					
PF	99.50	100	Y	99.80	100	Y					
Gratuity	100	100	Y	100	100	Y					
ESI	54	98	Y	52	96	Y					
<b>3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard:</b>											
All the premises / offices of the entity are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.											
<b>4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy:</b>											
The company has employees and workers with disabilities who are treated at par with other employees and workers as per the company equal opportunity policy.											
<b>5. Return to work and Retention rates of permanent employees and workers that took parental leave:</b>											
<ul style="list-style-type: none"> <li>Return to work and Retention rates of permanent employees and workers is 100%</li> <li>Female employees is entitled for six months maternity leave and during the said period full salary is paid. On completion of maternity period they resume their duty.</li> <li>Female workers covered under ESI avail maternity leave from ESI and are paid by ESI department for six months. On completion of maternity period they resume their duty.</li> </ul>											
<b>6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief:</b>											
						Yes/No (If Yes, then give details of the mechanism in brief): Yes					
Permanent Employees/Workers						<ul style="list-style-type: none"> <li>The Company has established a whistleblower policy/vigil mechanism to address the issues relating to ethics, bribery, corruption, sexual harassment or any discrimination of permanent employees and other than permanent employees. For this purpose the Company has a dedicated e-mail id i.e. whistleblowersml@owmnahar.com.</li> <li>The company's Vigil mechanism empowers the employees and other stakeholders who have concerns about suspected misconduct, unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or ethics policy, to come forward and express their concerns without fear of punishment</li> </ul>					



Other than Permanent Employees/Workers	<p>or unfair treatment.</p> <ul style="list-style-type: none"> <li>The company has also established Grievance Committee. The employees and workers can address their grievances to the committee.</li> <li>The company has placed complaint boxes in the company's units at prominent places and employees and workers can also use complaint box in case of any kind of complaint.</li> <li>The company has set up open door policy under which any worker or staff member can approach Production head or Labour Welfare Officer or Vice President (Personnel) and can raise their concerns or complaint.</li> </ul>
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**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees /workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees /workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	There is no such Association/Union					
- Male						
- Female						
<b>Total Permanent Workers</b>						
- Male						
- Female						

**8. Details of training given to employees and workers:**

Category	FY 2022- 2023					FY 2021-2022				
	On health & safety measures			On skill upgradation		On health & safety measures			On skill upgradation	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	Total (D)	No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	1635	410	25	433	27	1593	390	24	360	22
Female	53	20	37	18	34	48	11	23	9	19
<b>Total</b>	<b>1688</b>	<b>430</b>	<b>26</b>	<b>451</b>	<b>27</b>	<b>1641</b>	<b>410</b>	<b>25</b>	<b>369</b>	<b>23</b>
<b>Workers</b>										
Male	5414	2230	41	2425	45	5823	2049	35	2800	48
Female	2766	968	35	952	34	2669	678	25	702	26
<b>Total</b>	<b>8180</b>	<b>3198</b>	<b>39</b>	<b>3377</b>	<b>41</b>	<b>8492</b>	<b>2727</b>	<b>32</b>	<b>3502</b>	<b>41</b>

\* During the year under review, the Company has also conducted various other training programs, designed to meet the changing skill requirements of our employees/workers. These programs include: Fire Fighting Drills, First+ Aid Training, Use of PPE's Training, Ergonomic Training and Chemical Handling Training. For mid-level and senior level executives management development program are also conducted to upgrade their knowledge and management skills.

**9. Details of performance and career development reviews of employees and workers:**

The company provides performance and career development reviews to all eligible employees and workers.



**10. Health and safety management system:**

**A. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Keeping in view the nature of the industry, the company has well defined Occupational Health and Safety Policy and supporting processes to ensure the safety and well being of its employees and workers. The company has Health and Safety Committee. The Meeting of the committee is held once in every 3 months by Elected Members, Management Representative and Workers for educating them on health and safety systems. Moreover workshops/training program conducted on skill development.

**B. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The company is engaged in the manufacturing of yarns as well as garments. The company has risk management system in place. The company identifies the occupational health and safety risks, for its business activities, processes, products or services and assess the risk on routine basis.

**C. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks.**

The company periodically educating and providing training to workers regarding benefits of using PPE'S, Getting Annual Medical Checkup of workers working in sensitive areas. The company has reporting risk management system and all the workers can report all work-related incidents (which include accidents, unsafe conditions and unsafe acts). The company investigate and takes necessary corrective actions so that such incident would be eliminated.

**D. Does all the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No):**

The company recognizes the overall physical and mental well being of its employees and workers. The company undertakes several well-being programs for the mental health, physical health, safety at home, hospital services, occupational health services and organizes medical camps for their employees and workers.

**11. Details of safety related incidents, in the following format:**

Safety Incident/ Number	Category	FY 2022-2023	FY 2021-2022
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers	Nil	Nil
Total recordable work -related injuries	Employees Workers	Nil	Nil
No. of fatalities	Employees Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees Workers	Nil	Nil

**12. Describe the measures taken by the entity to ensure a safe and healthy work place:**

The Company always make efforts to provide a safe, productive and positive environment for employees/workers. The company has also taken several measures to prevent and mitigate significant occupational health & safety impacts which are given hereunder:

- Provision and maintenance of fire detection, alarm and suppression systems
- Regular site review, inspections and audits to assess safety preparedness
- Regular mock drills for fire as well as medical emergencies
- Employee engagement campaigns on health & safety topics such as fire safety, road safety, emergency evacuation etc.
- Regular meetings and training educating workers and employees regarding safety and healthy workplace.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-2023			FY 2021-2022		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	N. A	Nil	Nil	N. A
Health & Safety	Nil	Nil	N. A	Nil	Nil	N. A

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	100
Working Conditions	100



<p><b>15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health &amp; safety practices and working conditions.</b></p> <p>The Safety at the workplace/ office premises is one of the highest priority of the company. The company has established systems to address safety related incidents, if any. Moreover the company is undertaking safety inspections including installation and checking of fire fighting equipments, educating and providing required PPE'S to workers, conducting St. John ambulance training programme for workers and educating them about using PPE's at regular intervals. The deviations/gap and findings, if any, are identified and corrective actions are taken to improve upon the systems.</p>				
<b>Leadership Indicators</b>				
<p><b>1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N):</b> Yes</p>				
<p><b>2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.</b> The company educates the value chain partners so that they deduct statutory dues and deposit with the Authority as per applicable laws, rules and regulations. In case of any difficulty by the value chain partner they can approach the company for help.</p>				
<p><b>3. Provide the number of employees having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:</b></p>				
	<b>Total no. of affected employees/ workers</b>		<b>No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment</b>	
	<b>FY 2022-2023</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>	<b>FY 2021- 2022</b>
Employees	Nil		Nil	
Workers	Nil		Nil	
<p><b>4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No):</b> The company has no transition assistance program. However the company's continued skill development and up gradation during their working career helps the employees/workers in their employment after retirement.</p>				
<p><b>5. Details on assessment of value chain partners:</b></p>				
	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>			
Health and safety practices	Nil			
Working Conditions	Nil			
<p><b>6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.</b> Not Applicable</p>				

**PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS**

<b>Essential Indicators</b>				
<p><b>1. Describe the processes for identifying key stakeholder groups of the entity.</b> The Company has mapped its internal as well as external stakeholders to deepen its insights into their needs and expectations and to develop sustainable strategies for the short, medium and long term. Key stakeholders identified by the Company are Shareholders/Investors, Government and Regulators, Employees, Customers and Suppliers.</p>				
<p><b>2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.</b></p>				
<b>Stakeholder Group</b>	<b>Whether identified as Vulnerable &amp; Marginalized Group (Yes/No)</b>	<b>Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board) Other</b>	<b>Frequency of engagement (Annually, Half yearly, Quarterly, others- please specify)</b>	<b>Purpose and scope of engagement including key topic and concerns raised during such engagement</b>
Shareholders/ Investors	No	Meetings conference and correspondence. The company interacts with Shareholders/ Investors through Financial results Announcement, Annual reports and Meetings. The company's website is updated regularly to provide	As per the requirement and in compliance of Laws and Regulations applicable to company.	<ul style="list-style-type: none"> <li>The company is educating investors regarding company's model and wealth creation.</li> <li>Understanding investors expectations</li> <li>Resolving investors concerns regarding company's policies, strategy etc.</li> </ul>



		information to them. The Annual General Meeting provides them opportunity to interact directly with the Directors and Management of the company.		
Government and Regulators	No	Email, E filling Newspaper, Advertisement, Website	The company meets/interacts with the government authorities as and when required during the course of its business.	<ul style="list-style-type: none"> <li>Communicate Company's performance and ensure 100% compliance to Rules and Regulations applicable to the company.</li> <li>Maintain Statutory Records as per the requirement of the laws applicable to the company.</li> </ul>
Employees/Workers	No	Video conferences, Audio conference calls, Inter office memos, one- on-one counseling, Email, Website, Meetings	The company engages with its employees/workers on regular basis.	<ul style="list-style-type: none"> <li>To boost their morale and motivate them to perform in their work.</li> <li>Compensation structure</li> <li>Building a safety culture and inculcating safe work practices among workers/employees.</li> <li>Provide equal opportunities for them</li> <li>To nurture talent and develop their creativity.</li> </ul>
Customers	No	Email, Customer visits, Brochures, Advertisements, website, Calls, Surveys	The company's sale staff/ marketing staff meets them as per the requirement on regular basis.	<ul style="list-style-type: none"> <li>Understanding consumer behavior and their needs/requirements regarding quality and usefulness of the company's products.</li> </ul>
Suppliers	No	Meetings/Calls, Email, Visits, Website	The company meets its supplier as per the needs/ requirement.	<ul style="list-style-type: none"> <li>To know about their ability and financial strength for regular supply of material in time and without any interruption.</li> <li>To develop Stronger Partnership</li> <li>Ethical Behaviour</li> </ul>

**Leadership Indicators**

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The consultation with stakeholders on Economic, Environmental, and Social topics has been delegated in the organization to the departments who are responsible for engaging with stakeholders on continuous basis. The feedback of the department is shared with the Board.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

The consultation with the stakeholders always helps the company in devising company's policy on economic, environmental, and social topics.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company tries to identify the disadvantaged, vulnerable and marginalized stakeholder groups through need assessment and engage with such marginalized communities through CSR Activities. The Company is committed to the welfare of disadvantaged, vulnerable and marginalized section of the society. The Company through self and in association with M/s Oswal Foundation has taken special initiatives for the benefit of local communities and other disadvantaged and marginalized stakeholders. The Company's endeavour is to help them in Healthcare, Education, and Sustainable Livelihood etc. All the projects undertaken CSR activities are based on the needs of the communities. The Company's vision, in a nutshell, epitomizes inclusive growth and dignifying the lives of the underprivileged.



**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

The Company advocates the supremacy of Human Rights, and all its policies acknowledge the same principle. Your Company's human rights policy recognizes the following priority issues:

Compliance with applicable labour laws, zero tolerance to the child, forced or compulsory labour in operations and supply chains, equal opportunity, provide opportunities for all employees to express concerns and seek redressal, health and safety of our employees. No complaints were received regarding human rights violation during the financial year under review.

<b>Essential Indicators</b>										
<b>1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format:</b>										
Category	FY 2022-2023			FY 2021-2022						
	Total (A)	No. of employees, workers covered (B)	% (B/A)	Total (C)	No. of employees, workers covered (D)	% (C/D)				
<b>Employees</b>										
Permanent	1688	1688	100	1641	1641	100				
Other than Permanent	—	—	—	—	—	—				
<b>Total Employees</b>	1688	1688	100	1641	1641	100				
<b>Workers</b>										
Permanent	8180	7853	96	8492	8100	95				
Other than Permanent	—	—	—	—	—	—				
<b>Total Workers</b>	8180	7853	96	8492	8100	95				
<b>2. Details of minimum wages paid to employees in the following format:</b>										
Category	FY 2022-2023					FY 2021-2022				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>	1688	53	3.13	1635	96.86	1641	51	3	1590	97
Male	1635	50	3	1585	96.94	1593	48	3	1545	97
Female	53	3	5.66	50	94.33	48	—	—	48	100
<b>Other than Permanent</b>	NIL									
Male	NIL									
Female	NIL									
<b>Workers</b>										
<b>Permanent</b>	8180	6285	76.8	1895	23.16	8492	5265	62	3227	38
Male	5414	3868	71.44	1546	28.55	5823	4134	71	1689	29
Female	2766	2417	87.38	349	12.61	2669	2002	75	667	25
<b>Other than Permanent</b>	NIL									
Male	NIL									
Female	NIL									
<b>3. Details of remuneration/salary/wages, in the following format:</b>										
	Male		Female							
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category						
*Board of Directors (BoD)	9	40000	1	40000						
Managing Director & Non-Executive director	2	10,91,85,773	—	—						
Key Managerial Personnel	2	27,89,199	—	—						
Employees other than BoD and KMP (including workers)	7049	1,85,088	2819	1,52,580						

\* Board of Directors are being paid Rs. 10,000 for attending Board Meeting.



**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, the company has appointed Vice President (personnel) and Labour Welfare Officers who are responsible for addressing the human rights impacts or issues caused or contributed to by the business.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its directors and employees/workers and value chain partners. The aim of the policy is to provide a channel to the directors and employees/workers to report their genuine concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct. Reporting avenues have been provided for company's employees, customers, suppliers and other stakeholders who can raise concerns or make disclosures when they become aware of any actual or potential violation of the Company Code, policies or law including human rights violation. Representations made in the reporting avenues are reviewed and appropriate action is taken on violations.

**6. Number of Complaints on the following made by employees:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human Rights related issues	0	0	NA	0	0	NA

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

All complaints can be made without fear of reprisal and with the assurance that the Company will stand by you. The company does not tolerate any form of retaliation against anyone reporting good faith concerns. Anyone involved in targeting such a person raising such complaints is liable for disciplinary action. The company has formulated and adopted Vigil Mechanism/Whistle Blower Policy for its directors and employees/workers to prevent adverse consequences to the complainant in discrimination and harassment cases. In Exceptional circumstances, the complainant can also approach to the chairman of Audit Committee.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

The Company always advocates the supremacy of Human Rights.

**9. Assessments for the year:**

	<b>% of your offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100% assessed. Regular audits are conducted by third parties on request of Brands. Moreover, the company has also internal system for monitoring compliance of all relevant laws and policies pertaining to these issues. No adverse observation was observed during the financial year 2022-23.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above: Not Applicable**

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

The company is committed to providing a safe and positive work environment. This is achieved through a well-established Grievance Resolution Mechanism. The Company advocates the supremacy of Human Rights and all its policies acknowledge the same in principle and spirits.





<p><b>2. Details of the scope and coverage of any Human rights due-diligence conducted.</b></p> <p>The Company's Human rights policy recognizes the following priority issues:</p> <ul style="list-style-type: none"> <li>• Compliance to Labour laws,</li> <li>• Zero tolerance to the child, forced or compulsory labour in operations and supply chains,</li> <li>• Equal opportunity for all employees,</li> <li>• Provide opportunities for all employees to express concerns and seek redressal,</li> <li>• Health and Safety of our employees/workers/staff.</li> </ul>										
<p><b>3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?</b></p> <p>All the offices and workplace are accessible to differently abled visitors as per the requirement of Rights of Persons with Disabilities Act, 2016.</p>										
<p><b>4. Details on assessment of value chain partners:</b></p> <table border="1"> <thead> <tr> <th></th> <th><b>% of value chain partners (by value of business done with such partners) that were assessed</b></th> </tr> </thead> <tbody> <tr> <td>Child labour</td> <td rowspan="6">The company exports garment to reputed International Brands. The accessories and other material are procured through approved, nominated and validated vendor. These vendors are audited by independent external parties appointed by the garment brands. This ensures compliance to human rights issues of the companies' value chain partner.</td> </tr> <tr> <td>Forced/involuntary labour</td> </tr> <tr> <td>Sexual harassment</td> </tr> <tr> <td>Discrimination at workplace</td> </tr> <tr> <td>Wages</td> </tr> <tr> <td>Others – please specify</td> </tr> </tbody> </table>			<b>% of value chain partners (by value of business done with such partners) that were assessed</b>	Child labour	The company exports garment to reputed International Brands. The accessories and other material are procured through approved, nominated and validated vendor. These vendors are audited by independent external parties appointed by the garment brands. This ensures compliance to human rights issues of the companies' value chain partner.	Forced/involuntary labour	Sexual harassment	Discrimination at workplace	Wages	Others – please specify
	<b>% of value chain partners (by value of business done with such partners) that were assessed</b>									
Child labour	The company exports garment to reputed International Brands. The accessories and other material are procured through approved, nominated and validated vendor. These vendors are audited by independent external parties appointed by the garment brands. This ensures compliance to human rights issues of the companies' value chain partner.									
Forced/involuntary labour										
Sexual harassment										
Discrimination at workplace										
Wages										
Others – please specify										
<p><b>5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above:</b></p> <p>Not applicable</p>										

**PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT**

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

As a responsible corporate entity, company is fully aware of its obligation and responsibility to maintain highest standard of Environmental Management, as the climate changes and Global Warming are posing great threat to the global environment and to the Human kind. The company uses multiple energy sources in its daily operations and electricity being the primary source. The company has increased the share of renewable electricity (RE) over the years through Rooftop solar generation. The Company has set up Roof top solar plants at its Spinning Units at different location in the state of Punjab and Madhya Pradesh.

<b>Parameter</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
Total electricity consumption (A) own generation (Turbine + FO)	14846352	19083779
Total fuel consumption (B) (M.Ton)	11742.141	603511
Energy consumption through other sources (C) (Electricity Board + Solar)	312068576	410561481
<b>Total energy consumption (A+C)</b>	<b>326914928</b>	<b>429645260</b>
Energy intensity per rupee ofturnover ( <i>Total energy consumption/turnover in rupees</i> )	0.012	0.011
Energy intensity ( <i>optional</i> ) – the relevant metric may be selected by the entity	NA	NA
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	The independent assessment/evaluation/Energy Audit has been carried out by <b>Namdhari Eco Energy Pvt. Ltd.</b> of Nahar Fibres in the year 2021-22. The assessment/ evaluation/Energy Audit has been carried out by Namdhari Eco Energy Pvt. Ltd. once in every three years.	



2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

As we are not an energy-intensive industry, however, following spinning units are registered in PAT scheme and have positive Ecerts:

Rishab Spinning mills - Village Jodhan, Distt. Ludhiana

Nahar Spinning Mills - Village Lalru and Lehli, Distt. S.A.S. Nagar (Punjab)

Nahar Spinning Mills - Village Simrai, Mandideep, Distt. Raisen (M.P.)

Nahar Fibres Mills – Village Kup kalan, Distt. Sangrur (Punjab)

3. Provide details of the following disclosures related to water, in the following format:

The company optimizes water consumption through conservation, sewage treatment and reuse, and rainwater harvesting. All units have been designed for higher water efficiencies, recycling and treatment of sewage, and rainwater harvesting. The detailed break up is given below:

(in Kiloliters)

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	Nil	Nil
(ii) Groundwater	2145913	2406152
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
<b>Total volume of water withdrawal (i + ii + iii + iv + v)</b>	<b>2145913</b>	<b>2406152</b>
<b>Total volume of water consumption</b>	<b>2145913</b>	<b>2406152</b>
<b>Water intensity per lakh rupee of turnover (Water consumed / turnover)</b>	7.67	6.70
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	NA	NA
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?(Y/N) If yes, name of the external agency.	No independent assessment/evaluation has been carried out by an external agency related to water consumption. However the company make assessment/evaluation of water consumption internally as the company have put electronic flow meters to check the extraction of water and discharge of treated effluent.	

\*The company is maintaining the records on the daily as well as monthly bases of water consumption, it is pertinent to mention here that as and when water is on higher side the company take necessary steps accordingly to reduce the water consumption.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company has total Six sewage treatment plants in four Spinning units with a total capacity of 1875 K.L / day. The discharged water of these plant is used for horticulture and gardening. The company has installed 600 KLD Zero Liquid Discharge System in its spinning unit at Mandideep (Madhya Pradesh). It is two stage system, Ultra filtration Membranes followed by R.O Membranes after treating the sewage water in STP. The treated water is used in Humidification plant of the Mill.

The water as treated by STP is used for our greenery areas e.g. plantation in lawns, plants and flowers etc.



**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

The Company has a biomass captive power plant in one of its unit, the plant is registered under clean development mechanism. The company is also having highly efficient electricity generators (Wartsila) to generate power in case of emergency in all spinning units. The analysis of emission given below:

<b>Parameter</b>	<b>Please specify unit</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
NOx	Mg/Nm <sup>3</sup>	48.6-365	42.7
SOx	Mg/Nm <sup>3</sup>	4.5-56.6	BDL
Particulate matter (PM)	Mg/Nm <sup>3</sup>	23.3-174.3	83.7
Persistent organic pollutants (POP)	Nil		
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others-Carbon Monoxide Percentage		<1	<1
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	Yes, it is monitored on regular basis by external agencies like SPCB, SIMA Lab-Delhi/IDMA Laboratories/Punjab Biotechnology Incubator.		

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

<b>Parameter</b>	<b>Unit</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>	Nil	
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	<i>Metric tonnes of CO<sub>2</sub> equivalent</i>		
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>			
<b>Total Scope 1 and Scope 2 emission intensity (optional)</b> – the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

- The company's goal is to use maximum solar power in its spinning units. The company has already installed 2800KW roof top solar plant capacity at company's spinning unit at Mandideep. Further, the Company is in the process of installing roof top solar plant with a capacity of 732KW at company's spinning unit at village jitwal kalan, Distt. Malerkotla and 2200 KW capacity at company's spinning unit at Village Lalru and Lehli, Distt. S.A.S Nagar. After completion of the said project the company's total roof top solar plant capacity stand increased to 8486KW in the company's spinning units. Thus company's spinning units are generating clean & green energy and saving environment too. This has also resulted in saving of electricity cost to the company. The company have reduced consumption of gear oil Mobil SHC 629 from 604 Litre (2021 -22) to 460 Litre (2022 -23) as we have increased the life of oil from 6 month to appx.6.5 to 7 months.
- Air emission: In previous years we were using DG SETS to generate power during power cut. Now management has decided to use 99.9% power of PSPCL only. Consequently, no green house gases caused.



**8. Provide details related to waste management by the entity, in the following format:**

<i>Parameter</i>	<b>FY 2022-23</b>	<b>FY 2021-22</b>
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	316.31M. ton + 43007 Nos.	–
E-waste (B)	0.486	–
Bio-medical waste (C)	–	–
Construction and demolition waste (D)	–	–
Battery waste (E)	0.36	–
Radioactive waste (F)	–	–
Other Hazardous waste. Please specify, if any. (G) M.Ton	E.T.P Sludge 453.47 M. ton + Used Oil 2.689 M.ton	439
Other Non-hazardous wastegenerated (H). Please specify, if any.(Break-up by composition i.e. b y materials relevant to the sector)- Textile Waste (M.Ton)	Textile Waste 29174 M.ton + Other Waste 1307.78 M.ton + 17462 Nos. + 216 Mtrs.	44936
<b>Total (A + B + C + D + E + F + G + H)</b>	<b>31255.095 M.ton + 60469 Nos. + 216 Mtrs.</b>	<b>45375</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	–	–
(ii) Re-used M. Ton	3542.064	5451
(iii) Other recovery operations	212.430	–
<b>Total (M. Ton)</b>	<b>3754.494</b>	<b>5451</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	–	–
(ii) Landfilling	–	–
(iii) Other disposal operations (Sold to local buyers)	Textile Waste 26198.64 M.ton + Plastic waste 316.31 M.ton + 43007 Nos.+E-waste .486 M.ton + Battery waste 0.360 M.ton + E.T.P. Sludge 455.79 M.ton + Used oil 1.102 M.ton + Others Waste 1307.78 M.ton + 17462 Nos. + 216 Mtrs.	37665.581
<b>Total (M. Ton + Nos. + Mtrs.)</b>	<b>28280.468 M.ton +60469 Nos. + 216 Mtrs.</b>	<b>37665.581</b>
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No independent assessment/evaluation has been carried out by an external agency related to waste management. However the company make assessment/ evaluation of waste management internally.	

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Hazardous waste is being kept in a separate room/ place as per guidelines of State Pollution Control Board. Such waste is disposed off only through the firms authorized by the State Pollution Control Board for the purpose. There are two categories of Non hazardous waste :-

- Useable waste of raw cotton which is used in same process as raw material.
- Saleable waste of raw cotton and fabric which is sold to the local buyers who use it to make courser yarn and to fill mattresses etc.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

<b>Location of operations/offices</b>	<b>Type of operations</b>	<b>Whether the conditions of environmental approval / clearance are being complied with? (Y/N)If no, the reasons thereof and corrective action taken, if any.</b>
Not applicable as no spinning/garment unit of the company is situated in and around ecologically sensitive areas.		



**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

The company is in compliance with the applicable environmental law / regulations / guidelines in India. No fine/penalty/action was initiated against the entity under any of the applicable environmental laws/regulation/guidelines.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL				

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	14553900	16698990
Total fuel consumption (B) (M.Ton)	11640	13209
Energy consumption through other sources (C)	18868333	17856525
<b>Total energy consumed from renewable sources (A+C)</b>	<b>33422233</b>	<b>34555515</b>
<b>From non-renewable sources</b>		
Total electricity consumption (D)	292452	2384789
Total fuel consumption (E) (M.Ton)	102.141	590.302
Energy consumption through other sources (F)	293200243	392704956
<b>Total energy consumed from non-renewable sources (D+F)</b>	<b>29349265</b>	<b>395089745</b>
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	The independent assessment/ evaluation/Energy Audit has been carried out by <b>Namdhari Eco Energy Pvt. Ltd.</b> of Nahar Fibres in the year 2021-22. The assessment/ evaluation/Energy Audit has been carried out by Namdhari Eco Energy Pvt. Ltd. once in every three years.	



**2. Provide the following details related to water discharged:**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	617945	618632
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
(ii) To Groundwater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(v) *Others	655584	487382
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
<b>Total water discharged (in kilolitres)</b>	<b>1273529</b>	<b>1106014</b>
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No independent assessment/evaluation has been carried out by an external agency related to water consumption. However the company makes assessment/ evaluation of water consumption internally as the company have put electronic flow meters to check the extraction of water and discharge of trade effluent.	

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

**For each facility / plant located in areas of water stress, provide the following information:**

- (i) **Name of the area:** All the spinning units in the state of Punjab and Madhya Pradesh have their own sewage treatment plants.
- (ii) **Nature of operations:** The Company is engaged in manufacturing of yarns and garments under the main head Textile Industry.
- (iii) **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	--	--
(ii) Groundwater	2145913	2406152
(iii) Third party water	--	--
(iv) Seawater / desalinated water	--	--
(v) Others	--	--
<b>Total volume of water withdrawal (in kilolitres)</b>	<b>2145913</b>	<b>2406152</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>2145913</b>	<b>2406152</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>7.67</b>	<b>6.70</b>



<b>Water intensity (optional)</b> - the relevant metric may be selected by the entity	-	-
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) Into Surface water	617945	618632
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
(ii) Into Groundwater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	NIL	
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NIL	
- No treatment		
- With treatment – please specify level of Treatment		
(v) *Others	655584	487382
- No treatment		
- With treatment – please specify level of treatment	As per norms of respective SPCB	
<b>Total water discharged (in kilolitres)</b>	<b>1273529</b>	<b>1106014</b>
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No independent assessment/ evaluation has been carried out by an external agency related to water consumption. However the company makes assessment/evaluation of water consumption internally as the company have put electronic flow meters to check the extraction of water and discharge of trade effluent.	

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021 -22
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	<i>Metric tonnes of CO2 equivalent</i>		
<b>Total Scope 3 emissions per rupee of turnover</b>			
<b>Total Scope 3 emission intensity (optional)</b> - the relevant metric may be selected by the entity			Nil
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not applicable



**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

- The company's goal is to use maximum solar power in its spinning units. The company has already installed 2800KW roof top solar plant capacity at company's spinning unit at Mandideep. Further, the Company is in the process of installing roof top solar plant capacity at 732KW at company's spinning unit at village jitwal kalan, Distt. Malerkotla and 2200 KW at company's spinning unit at Village Lalru and Lehli, Distt. S.A.S Nagar. After completion of the said project the company's total roof top solar plant capacity stand increased to 8486KW in the company's spinning units. The solar power is generating green energy, resulting in saving of electricity cost and also save environment.
- The company has replaced old Ring Frames costing at Rs. 7.86 crore, Draw Frames costing at Rs. 2.35 crore as well as Speed Frames costing at Rs. 5.86 crore, resulting in energy saved to 101041 Kwh/year, 137472 Kwh/year and 85061 Kwh/year respectively.
- The company has started replacing old Ring Frame Bobbins with low weight Bobbins leading to saving of power by 2%. The company has also started replacing normal Poly amide Spindle tapes with Polyester Spindle tapes. This gives additional saving of 2% Power due to low slippage at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.
- The company has upgraded waste collection system and yarn conditioning plant which will lead to extensive power saving at company's spinning unit at village Jitwal Kalan, Distt. Malerkotla.

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.**

The company does not have any such plans for the present. However, the company is in discussion for deliberating in house business continuity and disaster management plan.

The company have a standardised procedure to maintain business continuity and ensure effective management of incidents. A risk-based approach is followed to identify credible business risks and is reviewed regularly. In addition, to safeguard our data and IT systems, the company have a Data Recovery Capability Standard. The purpose of this Standard is to specify controls to ensure that our data, applications and systems can be recovered to meet business operational requirements following a disruptive cyber incident.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No significant adverse impact envisaged from company's value chain.

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts is not feasible to collect the information as this being the first year of the report.

**PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

Essential Indicators		
<b>1. a. Number of affiliations with trade and industry chambers/ associations.</b>		
The Company is a member of <b>Six trade</b> and chamber or association. The Company participates in the discussions, meetings and seminar organized by these associations and actively put forth its viewpoint on various policy matters and inclusive development policies. The Company utilizes these forums for pushing new policy initiatives		
<b>b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.</b>		
S.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Export Organizations (FIEO)	National
2	Apparel Export Promotion Council	National
3	Confederation of Indian Industry [CII]	National
4	The Cotton Textiles Export Promotion Council (TEXPROCIL)	National
5	The Synthetic and Rayon Textiles Export Promotion Council (SRTEPC)	National
6	Northern India Textile Mills Association (NITMA)	National





**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

The Company has not engaged in any anti-competitive conduct.

**Leadership Indicators**

**1. Details of public policy positions advocated by the entity:**

The company focuses on developing and maintaining partnerships with relevant government officials, business organizations, industry associations, and community organizations for the purpose of developing mutually-beneficial partnerships.

S. No.	Public policy advocated	Method resorted for such advocacy available	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ others-please specify)	Web link, if available
1	The company is member of industry association and the Company's Policy on Responsible Advocacy provides the framework for necessary interface with Government/ Regulatory Authorities	The Company works with apex industry institutions that are engaged in policy advocacy, like the Northern India Textile Mills Association, The Cotton Textiles Export Promotion Council, Synthetic And Rayon Textiles Export Promotion Council, Federation of Indian Export Organisations Undertakings, Apparel Export Promotion Council, Confederation of Indian Industry [CII]. The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and taking into consideration interests of all stakeholders.	For more details, refer to 'Report of the Board of Directors & Management Discussion and Analysis' section forming part of Annual Report of the company 2023.	As and when required	-

**PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

As a responsible organization focused on inclusive growth, your Company has followed a proactive approach towards Corporate Social Responsibility (CSR). The Company has a detailed CSR policy in place, and the CSR activities are monitored by the Board appointed CSR committee. The company has been undertaking CSR projects through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields. The key focus areas of Company's CSR programs are the promotion of education, preventive healthcare, rural development, skill enhancement, environment protection and other areas as defined in Schedule VII of the Companies Act, 2013.

The Company internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
None of the projects undertaken by the company in FY 2022-23 required Social Impact Assessments (SIA)					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						



**3. Describe the mechanisms to receive and redress grievances of the community.**  
The company undertakes interaction with the community to discuss, identify & address any issues, complaints or grievances of the community. The company has also dedicated email address i.e. gredressalnsml@ owmnahaar.com for the purpose redressing grievances and complaint received from any investors and community. The grievances/complaints received through the said mail is being looked after by the compliance officer of the company so that the grievances/complaints resolved at earliest. No complaints/grievances were received by the company pertaining to CSR related activities.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs / small producers	6.56%	9.80%
Sourced directly from within the district and neighboring districts	The total procurement from MSME/Small producer is 6.56% out of which 2.34% is from the state of Punjab and the balance 4.22% is from the rest of India.	This information is not available for the current year and the company is trying to change the system to make it available in the coming years.

**Leadership Indicators**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Madhya Pradesh	Bhopal	10.00 Lakhs
2.	Punjab	Ludhiana	*500.00 Lakhs

\* Out of Rs. 500 lakhs paid to Oswal Foundation an amount of Rs. 424 Lakhs will be adjusted against current year CSR obligation (i.e. 2022-23) and Rs. 76 Lakhs has been treated as an advance to Oswal Foundation and the same will be adjusted against the company's CSR Obligation for the year 2023-24.

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

The company does not have any preferential procurement policy at present. However, we try to procure goods & services from MSME vendors and schedule there payments within stipulated period.

**(b) From which marginalized /vulnerable groups do you procure?**

Please refer to the above answer.

**(c) What percentage of total procurement (by value) does it constitute?**

Please refer to answer for Q.4 in Principle 8, Essential Indicators.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your**

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of Persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	To meet its CSR obligation under section 135 of the companies Act, 2013 company is undertaking CSR activities in collaboration with the group companies through Oswal Foundation, which is a Registered Society formed in 2006, having its charitable objects in various fields.  During the year company the Company paid an amount of Rs. 500 Lakhs to Oswal Foundation for undertaking Health Care Projects as approved by the consortium of the Group Companies. Out of Rs. 500 lakhs paid to Oswal Foundation an amount of Rs. 424 Lakhs will be adjusted against current year	The whole community living in the state of Punjab, Himachal Pradesh and union territory of Chandigarh have benefitted from the company's CSR Project. The most beneficiaries are the resident of Ludhiana district who are getting medical treatment at lower rate.	



	CSR obligation (i.e. 2022-23) and Rs. 76 Lakhs has been treated as an advance to Oswal Foundation and the same will be adjusted against the company's CSR Obligation for the year 2023-24.	
2.	The Company on the recommendation of CSR committee approved the project undertaken by Team Work Welfare Foundation, Bhopal. An amount of Rs. 10 lakhs paid to said Foundation for organizing Tennis Ball Cricket Tournament-(Khelo Jee Jaan Se). <b>Refer Annexure-I to the Board's report for the annual report on CSR activities [Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.</b>	The trust organized Tennis Ball Cricket Tournament-(Khelo Jee Jaan Se) for the upliftment of the sports. The youth who are interested in playing have benefitted from said event.

**PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

The Company places its customers at the centre of all its business policies and conducts. The Company strive to continue growth by adopting national and international standards and embracing ethical means in harmony with the environment, ensuring customer delight, stakeholder trust and social responsibility.

Essential Indicators						
<b>1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.</b>						
The Company organizes buyer meets for better market research and customer service. Feedback is also taken by the management during the visit of Customers at the manufacturing facilities. Customers' satisfaction is the Company's primary goal, which motivates the Company to keep its products as per the consumer's requirements. To understand the customers better, the Company adopts several procedures including customer surveys, customer audits and direct feedback. There is also a team dedicated to attend and address consumer feedback and queries.						
<b>2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: information about:</b>						
					<b>As a percentage to total turnover</b>	
Environmental and social parameters relevant to the product					100%	
Safe and responsible usage					100%	
Recycling and/or safe disposal					90%	
<b>3. Number of consumer complaints in respect of the following:</b>						
	<b>FY 2022-23</b>		<b>Remarks</b>	<b>FY 2021-22</b>		<b>Remarks</b>
	<b>Received during the year</b>	<b>Pending resolution at end of year</b>		<b>Received during the year</b>	<b>Pending resolution at end of year</b>	
Data privacy	<b>NIL</b>		<b>NA</b>	<b>NIL</b>		<b>NA</b>
Advertising						
Cyber security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						
<b>4. Details of instances of product recalls on account of safety issues:</b>						
The company has not recalled its product on account of safety issues.						
<b>Category</b>	<b>Number</b>		<b>Reason for recall</b>			
Voluntary recalls	Nil		N.A.			
Forced recalls	Nil		N.A.			

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

This Cyber Security Policy is a formal set of rules by which people who are given access to company technology and information. The company has internal generated policy on cyber security and risks related to data privacy. The Policy serves several purposes. The main purpose is to inform company users: employees, contractors and other authorized users of their obligatory requirements for protecting the technology and information assets of the company. The Cyber Security Policy describes the technology and information assets that we must protect and identifies many of the threats to these assets. The Policy also describes the user's responsibilities and privileges and contains procedures for responding to incidents that threaten the security of the company computer systems and network. From a cyber security aspect, the company has implemented cutting edge security tools to protect itself from external as well as internal threats. The policy is being used internally and is not uploaded on company's website.

**Implementation of Firewall throughout the Organization:**

To prevent the network from the outside agencies, the company installed the firewalls throughout the group. Our Network is not exposed to external agencies. The company has implemented the Security policies through this firewall. Given the limited access of the internet as per the business requirements. All Social sites are blocked to reduce the risk of vulnerability and compromise of the resources. Access of all applications is through this firewall. Unauthorized person will not be able to access our network, applications etc. No Person can download & install the unauthorized software on their respective computers. On routine basis all infra is being monitored through the Firewall for the threat attacks & blocking of the PCs showing abnormal behavior based on certain parameters.

In case any Cyber security Attack/Threats/Notice is found the information is shared to the Senior Management/CEO and he will share such incident to our Business Partners, Vendors, Suppliers and Local Authorities or Government Agency.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services: Not Applicable****Leadership Indicators****1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available):**

The information on company's products can be accessed through company's website i.e. [www.own.nahar.com](http://www.own.nahar.com). Moreover, the companies share the said information through brochures/pamphlet, catalogue etc.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company arranges technical visits regularly to educate the customers where they find solution to their problems. Further, for outstation customers conference calls are organized to understand their requirements and try to meet the same.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

As the company is engaged in the manufacturing of yarns/garments business, no such mechanism is applicable to company.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

The company display only mandated product information on cartons.

**5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes, the company undertakes telephonic survey with regard to consumer satisfaction relating to the products of our company

**6. Provide the following information relating to data breaches :****a. Number of instances of data breaches along-with impact**

During the financial year 2022-2023, no data breaches regarding customer privacy from outside parties etc. has happened.

**b. Percentage of data breaches involving personally identifiable information of customers: 0%****FOR AND ON THE BEHALF OF THE BOARD****Place: Ludhiana  
Dated: 9<sup>th</sup> August, 2023****JAWAHAR LAL OSWAL  
(CHAIRMAN)  
(DIN: 00463866)**



## INDEPENDENT AUDITOR'S REPORT

**To  
The Members of  
Nahar Spinning Mills Limited  
Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of Nahar Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key matters to be

communicated in our report.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. If there is no material misstatement, we will not issue separate report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial



statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a

material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the



information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative

contracts.

- iii. There 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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person 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, no funds 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. As stated in Note 35 the standalone financial statements
  - (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
  - (b) The Board of Directors of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.



- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Regn.No.001393N

Dated: 30<sup>th</sup> May, 2023 (CA Vinod Kumar Khanna)  
Place: Ludhiana Partner  
M.No.081585  
UDIN: 23081585BGSDYQ4910

### **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)**

#### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **NAHAR SPINNING MILLS LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial

controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a





material effect on the financial statements.

### Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the 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 March 31, 2023, 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 Gupta Vigg & Co.**  
Chartered Accountants  
Firm Regn.No.001393N

Dated: 30<sup>th</sup> May, 2023 (CA Vinod Kumar Khanna)  
Place: Ludhiana Partner  
M.No.081585  
UDIN: 23081585BGSDYQ4910

### ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NAHAR SPINNING MILLS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us and based on the examination of records of the company, conveyance deed etc., we report that, the title in respect of self constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

- (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, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for such class of inventory were noticed
  - (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of current assets. The stock statements has been filed with banks by the company during the year are in agreement with books of accounts of the company.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
    - (a) The Company has provided loans or advances in the nature of loans to one of its related party named M/S Oswal Woollen Mills Limited for amounting to Rs.1000 Lacs during the year. Balance of loan as on 31.03.2023 is NIL.
    - (b) In our opinion, the investments made and the



terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.

- (c) The company has not granted loans as per stipulation for repayment of principal and interest of loan. Hence reporting under clause 3(iii)(c) is not applicable for the company
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has granted loan or any advances in the nature of loan repayable on demand or without specifying any terms or period of repayment to one of its related party named M/S Oswal Woollen Mills Limited for amounting to Rs.1000 Lacs during the year. The same loan is 100 % of the total loan provided by the company during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the sub section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that prima facie, the prescribed records have been maintained. We have, however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax,

Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- c. Details of dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31,2023 on account of dispute are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Rs. (in Lacs)
The Income Tax Act, 1961	Income Tax	CIT (A), Ludhiana	A.Y. 2011-2012	22.63
The Income Tax Act, 1961	Income Tax	CIT (A), Ludhiana	A.Y. 2015-2016	58.28
The Income Tax Act, 1961	Income Tax	CIT (A), Ludhiana	A.Y. 2016-2017	70.25
Central Excise Act, 1944	Excise Duty	High Court of Jabalpur	F.Y. 2000-2003	17.47
The Customs Act, 1962	Drawback	High Court of Jabalpur	F.Y. 2006-2007	0.93

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings from any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanation given to us and based on examination of records of the company, the Company has applied the term loans for the purpose for which loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company has not any subsidiary, joint ventures or associate company, hence reporting under clause (ix)(e) and (f) is not applicable to the company
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement



- of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. The same is also not required to file
- (c) The management has represented us that no whistle-blower complaints has been received by the Company during the year (and upto the date of this report)
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) According to information and explanations given to us, there is one core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- 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.
- 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. Company has no unspent amount under CSR at the end of the financial year, hence reporting under clause 3(xx) (a) and (b) is not applicable to the company

**For Gupta Vigg & Co.**  
Chartered Accountants  
Firm Regn.No.001393N

Dated: 30<sup>th</sup> May, 2023  
Place: Ludhiana

**(CA Vinod Kumar Khanna)**  
Partner  
M.No.081585  
UDIN: 23081585BGSDYQ4910

**BALANCE SHEET AS AT 31st MARCH, 2023**

(Rs In Lacs)

PARTICULARS	NOTE NO	As at 31st March 2023	As at 31st March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	1.1	<b>83,040.33</b>	74,479.39
b) Other intangible assets	1.2	<b>51.51</b>	7.58
c) Investment properties	1.3	<b>686.44</b>	721.58
d) Capital work-in-progress	2	<b>10,107.46</b>	2,103.42
<b>e) Financial assets</b>			
i) Investments	3.1	<b>14,797.10</b>	30,617.20
ii) Other financial assets	3.2	<b>3,466.10</b>	3,192.29
f) Other non-current assets	4	<b>6,914.95</b>	<b>7,162.97</b>
		<b><u>1,19,063.89</u></b>	<b><u>1,18,284.43</u></b>
<b>Current assets</b>			
a) Inventories	5	<b>79,272.00</b>	1,04,861.04
<b>b) Financial assets</b>			
i) Investments	6.1	<b>1,506.54</b>	-
ii) Trade receivables	6.2	<b>31,492.58</b>	52,298.67
iii) Cash and Cash equivalents	6.3	<b>5,213.68</b>	301.09
iv) Bank balances other than (iii) above	6.4	<b>73.39</b>	74.03
v) Other financial assets	6.5	<b>146.48</b>	90.87
c) Current tax assets (net)	7	<b>463.31</b>	781.51
d) Other current assets	8	<b>14,192.09</b>	<b>18,401.85</b>
		<b><u>1,32,360.07</u></b>	<b><u>1,76,809.06</u></b>
<b>TOTAL ASSETS</b>		<b><u>2,51,423.96</u></b>	<b><u>2,95,093.49</u></b>
<b>EQUITY AND LIABILITIES</b>			
a) Equity Share capital	9	<b>1,805.31</b>	1,805.31
b) Other equity	10	<b>1,53,584.06</b>	158,251.11
		<b><u>1,55,389.37</u></b>	<b><u>1,60,056.42</u></b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>a) Financial liabilities</b>			
i) Borrowings	11.1	<b>21,805.99</b>	15,767.75
ii) Other financial liabilities	11.2	<b>42.26</b>	7.43
b) Deferred tax liabilities (Net)	12	<b>3,218.73</b>	5,308.75
c) Other non-current liabilities	13	<b>756.45</b>	302.60
		<b><u>25,823.43</u></b>	<b><u>21,386.53</u></b>
<b>Current liabilities</b>			
<b>a) Financial liabilities</b>			
i) Borrowings	14.1	<b>51,182.84</b>	85,519.41
ii) Trade and other payables	14.2		
---total Outstanding dues of micro enterprises and small enterprises		<b>872.22</b>	23.22
---total Outstanding dues of creditors other than micro enterprises and small enterprises		<b>8,986.51</b>	1,879.28
iii) Other financial liabilities	14.3	<b>194.67</b>	107.51
b) Other current liabilities	15	<b>8,562.30</b>	25,726.15
c) Provisions	16	<b>412.62</b>	394.97
		<b><u>70,211.16</u></b>	<b><u>113,650.54</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>2,51,423.96</u></b>	<b><u>2,95,093.49</u></b>
Notes forming part of the Financial Statements	1-42		

As per our Report of even date annexed

For &amp; On behalf of the Board

For **GUPTA VIGG & COMPANY**Chartered Accountants,  
FRN 001393N**VINOD KUMAR KHANNA**Partner  
(M.No. 081585)Place : **LUDHIANA**Date : **30.05.2023**UDIN : **23081585BGSQ4910****BRIJ SHARMA**Company Secretary  
Mem. No. FCS 2458**ANIL GARG**

Chief Finance Officer

**S.K SHARMA**Director  
(DIN. 00402712)**DINESH OSWAL**Managing Director  
(DIN. 00607290)

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH ,2023**

(Rs In Lacs)

PARTICULARS	NOTE NO.	Current Year	Previous Year
I. Revenue from operations	17	<b>2,79,691.27</b>	3,59,385.96
II. Other Income	18	<b>4,431.37</b>	1,451.38
<b>Total income (I+II)</b>		<b><u>2,84,122.64</u></b>	<u>3,60,837.34</u>
III. Cost of materials consumed	19	<b>1,82,511.91</b>	2,14,051.54
IV. Purchases of stock-in-trade	20	<b>553.33</b>	521.16
V. Change in inventories of finished goods, work -in-progress and stock in trade	21	<b>3,526.28</b>	(20,973.94)
VI. Employee Benefit expense	22	<b>25,525.91</b>	26,751.29
VII. Finance cost	23	<b>2,988.11</b>	6,823.41
VIII. Depreciation and amortisation expense	1	<b>7,256.19</b>	7,545.18
IX. Other expenses	24	<b>46,292.66</b>	58,591.73
<b>Total Expenses (III to IX)</b>		<b><u>2,68,654.39</u></b>	<u>2,93,310.37</u>
X. Profit/(loss) before exceptional items and tax		<b>15,468.25</b>	67,526.97
XI. Exceptional items			
CSR expenses u/s 135 of Companies Act,2013		<b>434.00</b>	53.91
XII. Profit/(loss) before tax		<b>15,034.25</b>	67,473.06
XIII. Tax expense:	25		
(1) Current tax		<b>3,775.00</b>	17,000.00
(2) Deferred tax assets / liabilities		<b>180.00</b>	254.29
XIV. Profit/(loss) for the period from continuing operations		<b><u>11,079.25</u></b>	<u>50,218.77</u>
<b>Other comprehensive income</b>		<b><u>(15,573.37)</u></b>	<u>21,036.62</u>
<b>Items that will not be reclassified to profit or loss</b>			
Changes in fair value of FVOCI equity instruments		<b>(17,982.62)</b>	23,714.02
Remeasurement of post-employment benefit obligations		<b>139.22</b>	81.44
Income tax relating to these items		<b>2,270.03</b>	(2,758.84)
Other comprehensive income for the year, net of tax		<b><u>(15,573.37)</u></b>	<u>21,036.62</u>
<b>XV. Total comprehensive income for the year</b>		<b><u>(4,494.12)</u></b>	<u>71,255.39</u>
<b>Earnings per equity share</b>	38		
Basic earnings per share		<b>32.24</b>	139.50
Diluted earnings per share		<b>32.24</b>	139.50
Notes forming part of the Financial Statements	1-42		

As per our Report of even date annexed

For &amp; On behalf of the Board

**For GUPTA VIGG & COMPANY**Chartered Accountants,  
FRN 001393N**VINOD KUMAR KHANNA**Partner  
(M.No. 081585)

Place : LUDHIANA

Date : 30.05.2023

UDIN : 23081585BGSDYQ4910

**BRIJ SHARMA**Company Secretary  
Mem. No. FCS 2458**ANIL GARG**

Chief Finance Officer

**S.K SHARMA**Director  
(DIN. 00402712)**DINESH OSWAL**Managing Director  
(DIN. 00607290)

**CASH FLOW STATEMENT FOR THE YEAR 1ST APRIL, 2022 TO 31ST MARCH, 2023**

(Rs In Lacs)

PARTICULARS	Current Year	Previous Year
<b>Cash Flow from Operating Activities</b>		
Net Profit Before Tax and Extra ordinary activities	15,034.25	67473.06
Adjustments for :		
Depreciation	7,256.19	7,545.18
Finance Cost	2,988.11	6,823.41
Interest received	(1,007.28)	(198.47)
Dividend Income	(117.55)	(81.97)
Net Gain on Sale of Investments	(196.25)	(12.45)
Profit/ Loss on sale of Fixed Assets/ subsidiaries adjustments	(262.60)	(426.87)
	<b>8,660.62</b>	<b>13,648.83</b>
<b>Operating Profit before Working Capital Changes</b>	<b>23,694.87</b>	<b>81121.89</b>
Adjustment for:		
-Trade Receivables	20,806.09	(21,355.13)
-Inventories	25,589.04	(30,821.60)
-Other financial assets	(55.61)	(22.56)
-Other financial assets (Long Term)	(273.81)	(662.47)
-Govt grant receivables	--	1,341.92
-Other current assets	4,209.76	9,549.94
-Provisions	156.88	225.48
-Other current liabilities	(17,163.85)	8,579.60
-Other non current liabilities	453.85	302.60
-Other financial Liabilities	87.16	(13.44)
- Other financial Liabilities (long Term)	34.83	7.43
- Trade Payables	7,956.23	(1,312.85)
	<b>41,800.57</b>	<b>(34,181.08)</b>
<b>Cash Generated from Operations</b>	<b>65,495.44</b>	<b>46,940.81</b>
Interest paid	(1,702.25)	(4,151.08)
Direct Taxes Paid/adjusted	(2,908.41)	(16,661.22)
	<b>(4,610.66)</b>	<b>(20,812.30)</b>
<b>Net cash flow from operating Activities</b>	<b>60,884.78</b>	<b>26,128.51</b>
<b>Cash Flow from investing activities</b>		
Purchase of Fixed Assets	(19,059.35)	(10,584.82)
Capital Work in Progress	(8,004.04)	682.86
Sale of Fixed Assets	3,496.02	657.08
Increase/Decrease in Other non current assets	248.02	(6,332.12)
Sale of Investments	25,313.95	7.56
Interest Received	1,007.28	198.47
Dividend Income	117.55	81.97
Increase in Investment	(28,786.76)	(766.27)
	<b>(25,667.33)</b>	<b>(16,075.27)</b>
<b>Net cash used in investing activities</b>	<b>35,217.45</b>	<b>10,053.24</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	12,306.44	5,348.43
Repayment of Long Term Borrowings	(3,842.74)	(7,823.08)
Increase/Decrease in Short Term Borrowings	(1,000.00)	(2,800.00)
Increase/Decrease in Working Capital Limits	(35,762.03)	(824.90)
Interest Paid	(1,285.86)	(2,672.32)
Dividend Paid	(721.31)	(1,081.96)
	<b>(30,305.50)</b>	<b>(9,853.83)</b>
<b>Net Cash Used in Financing Activities</b>	<b>(30,305.50)</b>	<b>(9,853.83)</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>4,911.95</b>	<b>199.41</b>
Opening Cash and Cash Equivalents and other bank balances	375.12	175.71
Closing Cash and Cash Equivalents and other bank balances	<b>5,287.07</b>	<b>375.12</b>

As per our Report of even date annexed

For &amp; On behalf of the Board

For **GUPTA VIGG & COMPANY**Chartered Accountants,  
FRN 001393N**VINOD KUMAR KHANNA**Partner  
(M.No. 081585)

Place : LUDHIANA

Date : 30.05.2023

UDIN : 23081585BGSYDQ4910

**BRIJ SHARMA**Company Secretary  
Mem. No. FCS 2458**ANIL GARG**

Chief Finance Officer

**S.K SHARMA**Director  
(DIN. 00402712)**DINESH OSWAL**Managing Director  
(DIN. 00607290)



**Statement of Changes in Equity for the Year ended 31st March 2023**

( Rs in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A. Equity Share Capital</b>		
Balance at the beginning of the Financial year	1805.31	1805.31
Changes in Equity Share Capital during the year	-	-
Balance at the end of the Financial year	<u>1805.31</u>	<u>1805.31</u>

**B. Other Equity**

Particulars	Reserve & Surplus				
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total Equity
<b>Balance at 01 April 2022</b>	20,959.85	1,363.86	93,057.90	42,869.50	1,58,251.11
Profit / (Loss) for the year	-	-	-	11,079.25	11,079.25
Other comprehensive income (Net)	-	-	-	(15,573.37)	(15,573.37)
<b>Total comprehensive income for the year</b>	-	-	-	<b>(4,494.12)</b>	<b>(4,494.12)</b>
Dividend	-	-	-	(721.31)	(721.31)
Adjustment for income tax of earlier years	-	-	-	548.38	548.38
Transfer to CSR Expense reserve	-	-	-	-	-
Transfer to General reserve	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>20,959.85</b>	<b>1,363.86</b>	<b>93,057.90</b>	<b>38,202.45</b>	<b>1,53,584.06</b>

Particulars	Reserve & Surplus				
	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total Equity
<b>Balance at 01 April 2021</b>	20,959.85	1,363.86	53,057.90	12,603.96	87,985.57
Profit / (Loss) for the year	-	-	-	50,218.77	50,218.77
Other comprehensive income (Net)	-	-	-	21,036.62	21,036.62
<b>Total comprehensive income for the year</b>	-	-	-	<b>71,255.39</b>	<b>71,255.39</b>
Dividend	-	-	-	(1,081.96)	(1,081.96)
Adjustment for income tax of earlier years	-	-	-	92.11	92.11
Transfer to CSR Expense reserve	-	-	-	-	-
Transfer to General reserve	-	-	40,000.00	(40,000.00)	-
<b>Balance as at March 31, 2022</b>	<b>20,959.85</b>	<b>1,363.86</b>	<b>93,057.90</b>	<b>42,869.50</b>	<b>1,58,251.11</b>

**C Shareholding of Promoters**

**Shares held by promoters at the end of the year % Change during the year**

Sr. No.	Promoters Name	No. of Shares 31.03.2023	% of Shares	No. of Shares 31.03.2022	% of Shares	% Change during the year
1	Nahar Capital and financial Services Ltd	16406629	45.49	16356574	45.35	0.14
2	Nahar Poly Films Ltd	6902244	19.14	6902244	19.14	-
3	Shankheshwar Holding Co. Ltd	373041	1.03	373041	1.03	-
4	Dinesh Oswal	123766	0.34	123766	0.34	-
5	Jawahar Lal Oswal	90374	0.25	90374	0.25	-
6	Kamal Oswal	24750	0.07	24750	0.07	-
7	Abhilash Oswal	16000	0.04	16000	0.04	-
8	Ruchika Oswal	11555	0.03	11555	0.03	-
9	Monica Oswal	11520	0.03	11520	0.03	-
10	Sambhav Oswal	1000	0.00	1000	0.00	-
11	Ritu Oswal	1000	0.00	1000	0.00	-



12	Tanvi Oswal	1000	0.00	1000	0.00	-
13	Abhinav Oswal	500	0.00	500	0.00	-
14	Manisha Oswal	500	0.00	500	0.00	-
15	Rishabh Oswal	500	0.00	500	0.00	-
16	Sanjana Oswal	500	0.00	500	0.00	-
	<b>Total</b>	<b>23964879</b>	<b>66.45</b>	<b>23914824</b>	<b>66.31</b>	

As per our Report of even date annexed

**For GUPTA VIGG & COMPANY**

Chartered Accountants,

FRN 001393N

**For & On behalf of the Board****VINOD KUMAR KHANNA**

Partner

(M.No. 081585)

**BRIJ SHARMA**

Company Secretary

Mem. No. FCS 2458

**ANIL GARG**

Chief Finance Officer

**S.K SHARMA**

Director

(DIN. 00402712)

**DINESH OSWAL**

Managing Director

(DIN. 00607290)

**Place : LUDHIANA****Date : 30.05.2023****UDIN : 23081585BGSDYQ4910**





**NON-CURRENT ASSETS (Rs In Lacs)**

**PROPERTY, PLANT AND EQUIPMENT**

Description	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	NET BLOCK
	As at 1st April 2022	Additions	Disposals/ Adjustments	As at 1st April 2022	Additions	Disposals/ Adjustments	As at 31st March 2023	31st March 2022
<b>1.1 Property, Plant and equipment:</b>								
Freehold Land	16066.81	779.32	1554.10	-	-	-	15,292.03	16,066.81
Building	34148.39	6870.38	1,604.89	8631.48	1339.25	184.03	9,786.70	25,516.91
Plant & Machinery	80742.09	10964.37	185.82	50048.89	5309.34	92.19	55,266.04	30,693.20
Vehicles	1606.77	127.31	142.95	604.12	290.97	128.84	766.25	1,002.65
Office Equipment	1447.36	204.97	74.26	771.33	141.85	57.00	856.18	676.03
Furniture & Fixtures	1115.86	35.70	443.81	592.07	106.27	310.34	388.00	523.79
<b>Total (A)</b>	<b>1,35,127.28</b>	<b>18,982.05</b>	<b>4,005.83</b>	<b>60,647.89</b>	<b>7,187.68</b>	<b>772.40</b>	<b>83,040.33</b>	<b>74,479.39</b>
<b>1.2. Intangible Assets</b>								
Software	61.05	77.30	-	53.47	33.37	-	86.84	7.58
<b>Total (B)</b>	<b>61.05</b>	<b>77.30</b>	<b>-</b>	<b>53.47</b>	<b>33.37</b>	<b>-</b>	<b>86.84</b>	<b>7.58</b>
<b>Total(A+B)</b>	<b>1,35,188.33</b>	<b>19,059.35</b>	<b>4,005.83</b>	<b>60,701.36</b>	<b>7,221.05</b>	<b>772.40</b>	<b>83,091.84</b>	<b>74,486.97</b>
<b>1.3. Investment Properties:</b>								
Buildings and related equipments	1028.43	-	-	306.85	35.14	-	341.99	721.58
<b>Total (A)</b>	<b>1028.43</b>	<b>-</b>	<b>-</b>	<b>306.85</b>	<b>35.14</b>	<b>-</b>	<b>341.99</b>	<b>721.58</b>
				<b>31.03.2023</b>				
<b>Fair Value of Investment Properties</b>				<b>3,447.50</b>				
<b>Rental Income Received/Receivables from Investment properties</b>				<b>107.62</b>				
<b>Direct expense (including repair &amp; maintenance) for generating rental income</b>				<b>26.50</b>				



**NON-CURRENT ASSETS  
PROPERTY, PLANT AND EQUIPMENT**

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	NET BLOCK
	As at 01st April.2021	Additions	Dispos- als/ Ad- justments	As at 31st March 2022	As at 01st April.2021	Additions	Dispos- als/ Ad- justments	As at '31st March 2022	31 March 2022	31 March 2021
<b>1.1 Property, Plant and equipment:</b>										
Freehold Land	15395.74	727.92	56.85	16,066.81	-	-	-	-	16,066.81	15,395.74
Building	31681.95	2466.44	-	34,148.39	7361.81	1269.67	-	8,631.48	25,516.91	24,320.14
Plant & Machinery	74896.86	6042.28	197.05	80,742.09	44213.94	5865.13	30.18	50,048.89	30,693.20	30,682.92
Vehicles	757.44	898.48	49.15	1,606.77	476.75	170.04	42.67	604.12	1,002.65	280.69
Office Equipment	1288.00	159.46	0.10	1,447.36	650.52	120.89	0.08	771.33	676.03	637.48
Furniture & Fixtures	825.61	290.25	-	1,115.86	515.50	76.57	-	592.07	523.79	310.11
<b>Total (A)</b>	<b>1,24,845.60</b>	<b>10,584.83</b>	<b>303.15</b>	<b>1,35,127.28</b>	<b>53,218.52</b>	<b>7,502.30</b>	<b>72.93</b>	<b>60,647.89</b>	<b>74,479.39</b>	<b>71,627.08</b>
<b>1.2. INTANGIBLE ASSETS</b>										
Software	61.05	-	-	61.05	48.57	4.90	-	53.47	7.58	12.48
<b>Total (B)</b>	<b>61.05</b>	<b>-</b>	<b>-</b>	<b>61.05</b>	<b>48.57</b>	<b>4.90</b>	<b>-</b>	<b>53.47</b>	<b>7.58</b>	<b>12.48</b>
<b>Total (A+B)</b>	<b>1,24,906.65</b>	<b>10,584.83</b>	<b>303.15</b>	<b>1,35,188.33</b>	<b>53,267.09</b>	<b>7,507.20</b>	<b>72.93</b>	<b>60,701.36</b>	<b>74,486.97</b>	<b>71,639.56</b>
<b>1.3. Investment Properties:</b>										
Buildings and related equip- ments	1028.43	-	-	1,028.43	268.87	37.98	-	306.85	721.58	759.56
<b>Total (A)</b>	<b>1,028.43</b>	<b>-</b>	<b>-</b>	<b>1,028.43</b>	<b>268.87</b>	<b>37.98</b>	<b>-</b>	<b>306.85</b>	<b>721.58</b>	<b>759.56</b>
					<b>31.03.2022</b>				31.03.2021	
<b>Fair Value of Investment Properties</b>					3,447.50				2,519.44	
<b>Rental Income Received/Receivables from Investment properties</b>					173.88				113.83	
<b>Direct expense (including repair &amp; maintenance) for generating rental income</b>					37.13				23.63	



**Note 2. Capital work-in-progress (CWIP)**

**Total**

	31-03-2023	31-03-2022
	10107.46	2,103.42
<b>Total</b>	<b>10107.46</b>	<b>2,103.42</b>

**CWIP ageing schedule for 2022-2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Project in progress	10,101.60	5.86	-	-	10,107.46
Projects temporarily suspended	-	-	-	-	-

**CWIP ageing schedule for 2021-2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More Than 3 years	
Project in progress	2,026.12	-	77.30	-	2,103.42
Projects temporarily suspended	-	-	-	-	-



Note No.	Particulars	As at 31 March 2023		As at 31 March 2022	
<b>Financial Assets</b>					
<b>3.1. Investments</b>					
<b>a.</b>	<b>Investment at fair value through profit or loss</b>	<b>No.of Units</b>	<b>Amount</b>	<b>No.of Units</b>	<b>Amount</b>
	<b>Investment in Equity instruments</b>				
	i) Punjab & Sind Bank (Equity Shares of Rs.10/- each fully paid up)	4893	1.25	4893	0.76
	ii) Reliance Capital Ltd (Equity Shares of Rs 10/-each fully paid up)	3700	0.30	3700	0.62
	iii) Jaiprakash Associates Ltd ( Equity Shares of Rs 2/- each fully paid up)	37000	2.57	37000	3.07
	iv) Jaiprakash Power Venture Ltd (Equity Shares of Rs 10/- each fully paid up)	81000	4.50	81000	5.51
	<b>Investment in Debt Funds</b>				
	i) 993460.717 unit of ICICI short term plan direct growth	-	-	993460.717	507.11
	ii) 20 Debentures of Piramal Enterprises Ltd.	20	212.46	-	-
	iii) SBI FMP S-61 direct growth	2999850.007	313.32	-	-
<b>b.</b>	<b>Investment at fair value through other comprehensive income</b>				
	<b>Investment in Equity instruments</b>				
	i) Nahar Capital & Financial Services Ltd. (Equity Shares of Rs. 5/- each fully paid up)	607856	1505.36	607856	3603.67
	ii) Nahar Poly Films Ltd. (Equity Shares of Rs 5/- each fully paid up)	4359788	9966.48	4309056	24199.66
	iii) Sankeshwar Holding Company Ltd (Equity Shares of Rs 10/-each fully paid up) (unquoted)	95750	269.05	95750	1736.18
	<b>Investment in Government securities</b>				
	i) 7.39% Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	7007	78.70	7007	84.50
	ii) 7.39% Housing and Urban Development Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	15058	175.43	15058	183.56
	iii) 7.35% Indian Railway Finance Corporation Ltd. (Tax free Bonds of Rs.1000/- each fully paid up)	5878	67.27	5878	71.54
	iv) 7.35% National Bank for Agricultural and Rural Development. (Tax free Bonds of Rs.1000/- each fully paid up)	10020	111.68	10020	127.24
	v) 7.35% National Highways Authority of India. (Tax free Bonds of Rs.1000/- each fully paid up)	7709	88.73	7709	93.78
<b>c)</b>	<b>Investment at Amortised Cost</b>				
	i) 2000000 Fully paid up 5% Non Cumulative Redeemable Preference Shares (OWM) (unquoted)	2000000	2000.00	-	-
	ii) Shree Panchvati Co-Operative Housing Society Ltd ( Equity Shares of Rs.50/- each fully paid up) (unquoted)	10	0.005	10	0.005
			<u>14797.10</u>		<u>30617.20</u>
	<b>(a) Aggregate amount of quoted investments and market value thereof;</b>		<b>12,528.05</b>		<b>28,881.02</b>
	<b>(b) Aggregate amount of unquoted investments; and</b>		<b>2,269.05</b>		<b>1,736.18</b>
	<b>(c) Aggregate amount of impairment in value of investments.</b>		<b>-</b>		<b>-</b>



Note No.	Particulars	As at 31st March 2023	As at 31st March 2022		
<b>3.2.</b>	<b>Other Financial assets</b>				
	Security deposits				
	- Unsecured, considered good	<b>3,465.50</b>	3,186.69		
	Deposits with maturity more than twelve months	<b>0.60</b>	5.60		
	<b>Total</b>	<b>3,466.10</b>	<b>3,192.29</b>		
<b>4.</b>	<b>Other Non Current Assets</b>				
	Capital advances	<b>6,912.68</b>	7,158.43		
	Prepaid rent	<b>2.27</b>	4.54		
	<b>Total</b>	<b>6,914.95</b>	<b>7,162.97</b>		
<b>CURRENT ASSETS</b>					
<b>5.</b>	<b>Inventories</b>				
	Raw Materials	<b>42,132.00</b>	64,140.75		
	Raw Materials ( Goods in Transit)	<b>0.60</b>	2.67		
	Work in Process	<b>6,973.26</b>	6,551.73		
	Finished Goods	<b>26,695.95</b>	29,219.80		
	Finished Goods (Goods in Transit)	<b>30.40</b>	-		
	Stock-in-Trade	<b>66.80</b>	71.94		
	Stores & Spares	<b>1,986.26</b>	2,068.60		
	Stores & Spares (Goods in Transit)	-	-		
	Waste & Rejections	<b>1,386.73</b>	2,805.55		
	<b>Total</b>	<b>79,272.00</b>	<b>1,04,861.04</b>		
<b>Financial Assets</b>					
<b>6.1.</b>	<b>Investments</b>				
<b>a)</b>	<b>Investment at fair value through profit or loss</b>	<b>No.of Units</b>	<b>Amount</b>	<b>No.of Units</b>	<b>Amount</b>
	<b>Investment in Debt Funds</b>				
	i) SBI overnight fund direct growth	<b>3369853.143</b>	<b>1018.36</b>	-	-
<b>b)</b>	<b>Investment in CP (at amortised cost)</b>				
	i) A K Capital Services Ltd 101D CP (unquoted)	<b>500000</b>	<b>488.18</b>	-	-
	<b>Total</b>		<b>1506.54</b>		-
<b>a)</b>	<b>Aggregate amount of quoted investments and market value thereof;</b>		<b>1018.36</b>		-
<b>b)</b>	<b>Aggregate amount of unquoted investments; and</b>		<b>488.18</b>		-
<b>c)</b>	<b>Aggregate amount of impairment in value of investments.</b>		-		-
<b>6.2.</b>	<b>Trade Receivables</b>				
	Unsecured Considered good unless otherwise stated	<b>31,492.58</b>		<b>52,298.67</b>	
	Doubtful	-		-	
	Less: Provision on doubtful debts	-		-	
	<b>Total</b>	<b>31,492.58</b>		<b>52,298.67</b>	

**Trade Receivables ageing Schedule as on 31st March 2023**

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						TOTAL
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	29716.02	653.01	1122.68	0.41	0.26	0.20	31492.58
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-	-	-	-	-	-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED	-	-	-	-	-	-	-
(IV) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	-	-	-	-	-	-	-
(V) DISPUTED TRADE RECEIVABLE	-	-	-	-	-	-	-

**Trade Receivables ageing Schedule as on 31st March 2022**

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT						TOTAL
	Not Due	LESS THAN 6 MONTHS	6 MONTHS - 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(I) UNDISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	47828.32	4456.39	12.33	1.13	0.29	0.21	52298.67
(II) UNDISPUTED TRADE RECEIVABLE- WHICH HAVE SIGNIFICANT INCREASE IN CREDIT RISK	-	-	-	-	-	-	-
(III) UNDISPUTED TRADE RECEIVABLE- CREDIT IMPAIRED	-	-	-	-	-	-	-
(IV) DISPUTED TRADE RECEIVABLE- CONSIDERED GOODS	-	-	-	-	-	-	-
(V) DISPUTED TRADE RECEIVABLE	-	-	-	-	-	-	-

**6.3 Cash and Cash Equivalents-**

Balance with banks	159.56	69.14
Cash in hand	29.88	31.95
Cheque in hand	5.00	-
Deposits with maturity less than three months	5019.24	200.00
<b>Total</b>	<b>5213.68</b>	<b>301.09</b>

**6.4 Other bank balances**

Unpaid Dividend account	73.39	74.03
<b>Total</b>	<b>73.39</b>	<b>74.03</b>

**6.5 Other financial assets**

Advances to employees	86.87	89.25
Interest accrued on FD	59.61	1.62
<b>Total</b>	<b>146.48</b>	<b>90.87</b>

**7. Current tax assets (Net)**

Advance income tax/TDS/TCS	4128.82	17683.44
Income Tax Refund Receivable	109.49	98.07
Less: Provision for income tax	(3,775.00)	(17,000.00)
<b>Total</b>	<b>463.31</b>	<b>781.51</b>



Note No.	Particulars	As at 31st March 2023	As at 31st March 2022
<b>8.</b>	<b>Other Current Assets</b>		
	Prepaid expenses	1022.93	1113.09
	Prepaid rent	2.27	2.27
	Advance to suppliers & other (Recoverable in Cash or kind)	1980.65	2442.25
	Balances with Government authorities	10368.77	14005.41
	GST Deposited Under Protest (Ref Note 30(ix))	500.00	500.00
	Others	317.47	338.83
	<b>Total</b>	<b>14192.09</b>	<b>18401.85</b>
	<b>EQUITY AND LIABILITIES</b>		
<b>9.</b>	<b>Equity Share Capital</b>		
<b>A)</b>	<b>Authorised</b>		
	60,000,000 (Previous year 60,000,000) equity shares of Rs. 5 each	3000.00	3000.00
<b>B)</b>	<b>Issued, subscribed and fully paid up</b>		
	36,065,303 (Previous year 36,065,303) equity shares of Rs. 5 each fully paid up	1803.27	1803.27
	Add : Share forfeited	2.04	2.04
	<b>Total</b>	<b>1805.31</b>	<b>1805.31</b>
<b>a)</b>	<b>Terms/rights attached to equity shares</b>		
	The company has only one class of shares having par value at Rs. 5/-per share. Each holder of equity shares is entitled to one vote per share.		
<b>b)</b>	<b>Reconciliation of number of shares</b>		
	Number of shares at the beginning of the Financial year	3,60,65,303	3,60,65,303
	Add: Shares Issued During the year	-	-
	Less: Share buy back during the year	-	-
	Number of shares at the end of the Financial year	3,60,65,303	3,60,65,303
<b>c)</b>	<b>Detail of shareholders holding more than 5% shares</b>	<b>No. of shares</b> %age	<b>No. of shares</b> %age
	1. Nahar Capital and Financial services Limited	1,64,06,629 45.49	1,63,56,574 45.35
	2. Nahar Poly Films Limited	69,02,244 19.14	69,02,244 19.14
<b>d)</b>	<b>Forfeited Shares (amount originally paid up)</b>		
	<b>Amount Paid Up</b>	<b>No. of shares</b>	<b>No. of shares</b>
	Rs.2.50 per Share	80298	80298
	Rs.5.00 per Share	710	710
<b>10.</b>	<b>Other Equity</b>		
<b>A)</b>	<b>Security premium reserves</b>		
	Balance as per Last Balance Sheet	20959.85	20959.85
	Add: Additions during the year	-	-
	<b>Balance as at the year end</b>	<b>20959.85</b>	<b>20959.85</b>
<b>B)</b>	<b>Capital reserves</b>		
	Balance as per Last Balance Sheet	1363.86	1363.86
	Add: Additions during the year	-	-
	<b>Balance as at the year end</b>	<b>1363.86</b>	<b>1363.86</b>
<b>C)</b>	<b>General reserves</b>		
	Balance as per Last Balance Sheet	93057.90	53057.90
	Add: Transfer From Surplus/Retained Earning	-	40000.00
	<b>Balance as at the year end</b>	<b>93057.90</b>	<b>93057.90</b>



Note No.	Particulars	As at 31st March 2023	As at 31st March 2022
<b>D)</b>	<b>Retained Earning/Surplus</b>		
	Balance as per Last Balance Sheet	<b>42869.50</b>	12603.96
	Profit/(Loss) Transfer from Profit & Loss A/c	<b>11079.25</b>	50218.77
	Other Comprehensive Income for the Year (Net)	<b>(15573.37)</b>	21036.62
	Add/Less: Adjustment of Income Tax earlier Years	<b>548.38</b>	92.11
	Less: Dividend	<b>721.31</b>	1081.96
	Less: Transfer to General Reserve	-	40000.00
	<b>Balance as at the year end</b>	<b>38202.45</b>	42869.50
	<b>Total</b>	<b>153584.06</b>	158251.11

**NON CURRENT LIABILITIES****Financial Liabilities****11.1 Borrowings****Term loans from banks- Secured**

1. From Punjab National Bank	-	364.11
2. From Punjab National Bank (E-OBC)	<b>2663.91</b>	3563.00
3. From ICICI Bank	<b>3262.44</b>	6520.98
4. From State Bank of India	<b>15879.64</b>	5319.66
<b>Total</b>	<b>21805.99</b>	15767.75

**Nature of security****1. From Punjab National Bank (E-OBC)**

-Term Loan of Rs 6600 Lacs is secured by Plant & Machinery to be purchased out of the proposed term loan

Second charge on entire block of assets of the company inclusive of all units pertaining to the erstwhile NEL (Nahar Export Ltd) to be shared on pari-passu basis with the Consortium member Banks.(Except the assets financed by SBI at Lalru/Lehli and assets financed by ICICI bank.)

The Term Loan is personally guaranteed by three Directors of the Company.

**Terms of Repayment**

- Term Loan is repayable in quarterly installments by 31/03/2027.  
Rate of Interest 31.03.2023, 7.25% p.a  
and 31.03.2022, 7.35 % p.a

**2. ICICI BANK**

Term Loan of Rs. 11300 Lacs is Secured by first Pari-Passu Charge on movable fixed assets of the Company both present and future.

- First pari-passu charge over immovable fixed assets i.e Land & Building , measuring 52.82 acres(Mortgage) situated at village simrai mandideep , M.P.

- Second pari-passu charge over all the current assets of the company both present and future

The Term Loan is personally guaranteed by three Directors of the Company.

-Term Loan is repayable in quarterly installments by 31/03/2025.  
Rate of Interest 31.03.2023, 9.30% p.a  
and 31.03.2022, 7.90 % p.a





Note No.	Particulars	As at 31st March 2023	As at 31st March 2022
<b>3.</b>	<b>STATE BANK OF INDIA</b>		
	Term Loan of Rs. 27500 Lacs is Secured by first Pari-Passu Charge with other term lenders by way of Hypothecation of entire fixed assets of the Company including equitable mortgage of :		-Term Loan is repayable in quarterly installments by 30/09/2031. Rate of Interest 31.03.2023, 8.20% p.a and 31.03.2022, 7.25% p.a
	(i) 1st pari passu basis to term lenders which includes 40.20 acres of land at Village Simrai, Mandideep, Raisen , Madhya Pradesh and 12.62 acres of land located at Village Itayakalan, Mandideep, Madhya Pradesh.		
	(ii) Negative lien on all other immovable assets of the company both present and future.		
	-Second Pari-Passu Charge with other term lenders by way of Hypothecation of entire current assets including stock of raw material, stock in process, finished goods, store & spares /consumable and receivables/book debts, other current assets , both present and future.		
	The Term Loan is personally guaranteed by three Directors of the Company.		
<b>11.2</b>	<b>Other financial liability</b>		
	Retention money	<u>42.26</u>	<u>7.43</u>
	<b>Total</b>	<u>42.26</u>	<u>7.43</u>
<b>12.</b>	<b>Deferred tax Liabilities (Net)</b>		
	Timing Difference on account of Depreciation, Change in rate of Tax, IND AS adjustment etc.	<b>3383.73</b>	5353.75
	Difference on account of Allowances under section 43B, & Others etc.	<b>(165.00)</b>	(45.00)
	<b>Total</b>	<u>3218.73</u>	<u>5308.75</u>
<b>13.</b>	<b>Other non current liabilities</b>		
	Deferred income	<u>756.45</u>	<u>302.60</u>
	<b>Total</b>	<u>756.45</u>	<u>302.60</u>
	<b>CURRENT LIABILITIES</b>		
	<b>Financial Liabilities</b>		
<b>14.1</b>	<b>Borrowings</b>		
	Loans from banks- Secured	<b>45297.38</b>	81059.41
	Secured by ( I ) Hypothecation of entire current assets of the company both present and future . ( II ) 2nd Charge (on pari-passu basis) over entire plant and machinery, present or future, of all the units of the company and also personally Guaranteed by Chairman, Managing Director and one Director of the Company.		
	Current maturities of long term debts	<b>5885.46</b>	3460.00
	Inter Corporate Deposits (Unsecured Loans)		
	- From Related Parties	<u>-</u>	<u>1000.00</u>
	<b>Total</b>	<u>51182.84</u>	<u>85519.41</u>



Note No.	Particulars	As at 31st March 2023	As at 31st March 2022
<b>14.2</b>	<b>Trade and other payables</b>		
	---total Outstanding dues of micro enterprises and small enterprises	<b>872.22</b>	23.22
	---total Outstanding dues of creditors other than micro enterprises and small enterprises	<b>8986.51</b>	1879.28
	<b>Total</b>	<b>9858.73</b>	<b>1902.50</b>

**Trade Payables ageing schedule as on 31st March 2023**

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	872.22	-	-	-	-	872.22
(ii) Other	8,730.12	251.46	4.72	0.21	-	8,986.51
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

**Trade Payables ageing schedule as on 31st March 2022**

PARTICULARS	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 Year	Total
(i) MSME	23.22	-	-	-	-	23.22
(ii) Other	1,790.58	84.30	2.46	1.10	0.84	1,879.28
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

**14.3 Other financial liabilities**

Retention money	<b>119.14</b>	31.47
Unpaid dividends	<b>73.39</b>	74.03
Others	<b>2.14</b>	2.01
<b>Total</b>	<b>194.67</b>	<b>107.51</b>

**15. Other current liabilities**

Advances from customers	<b>672.43</b>	483.95
Dues to director	<b>377.23</b>	1113.05
Government dues	<b>682.29</b>	629.88
Deferred income	<b>169.37</b>	56.34
Others	<b>6660.98</b>	23442.93
<b>Total</b>	<b>8562.30</b>	<b>25726.15</b>

**16. Provisions**

Provision for Gratuity	<b>412.62</b>	394.97
<b>Total</b>	<b>412.62</b>	<b>394.97</b>



Note No.	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>17.</b>	<b>Revenue from operations</b>		
	Sales - Export	113516.42	217553.41
	Sales - Domestic	158540.94	128534.53
	Export incentives	6073.16	11152.97
	Sale of services	1118.60	1622.05
	Miscellaneous sales	377.77	443.72
	Miscellaneous receipts	60.85	55.16
	Claims received	3.53	24.12
	<b>Total</b>	<b>279691.27</b>	<b>359385.96</b>
<b>18.</b>	<b>Other Income</b>		
	Interest income	1007.28	198.47
	Dividend income	117.55	81.97
	Rental income	238.90	269.52
	Balances written back	179.53	46.05
	Gain on sale of Property, Plant & Equipment	274.44	436.68
	Net gain on sale of investments	196.25	12.45
	Net MTM gain on Forward Contracts	47.18	139.94
	Miscellaneous income (including deferred income)	2370.24	266.30
	<b>Total</b>	<b>4431.37</b>	<b>1451.38</b>
<b>19.</b>	<b>Cost of materials consumed</b>		
	Opening stock	64140.75	54591.94
	Add : Purchases (Net)	160503.16	223600.35
	Less: Closing Stock	(42,132.00)	(64,140.75)
	<b>Total</b>	<b>182511.91</b>	<b>214051.54</b>
<b>20.</b>	<b>Purchases of stock-in-trade</b>		
	Hosiery Garments/others	491.28	363.64
	Cotton Yarn	62.05	157.52
	<b>Total</b>	<b>553.33</b>	<b>521.16</b>
<b>21.</b>	<b>Change in inventories of finished goods/ Work -in-progress/ stock in trade.</b>		
	Opening stock		
	Work-in-Progress	6551.73	4722.70
	Finished Goods / Stock in Trade etc.	32097.29	12952.38
	Less: Closing Stock		
	Work-in-Progress	(6,973.26)	(6,551.73)
	Finished Goods / Stock in Trade etc.	(28,149.48)	(32,097.29)
	<b>Total</b>	<b>3,526.28</b>	<b>(20,973.94)</b>



Note No.	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>22.</b>	<b>Employee benefit expense</b>		
	Salary and wages	23018.60	24338.72
	Contribution to PF, ESI and Gratuity Fund	2228.85	2134.69
	Employees Welfare Expenses	278.46	277.88
	<b>Total</b>	<b>25525.91</b>	<b>26751.29</b>
<b>23.</b>	<b>Finance cost</b>		
	Interest on term loan	1285.86	2672.33
	Interest on cash credit	1441.81	3555.48
	Interest to others	155.24	500.68
	Other borrowing costs	105.20	94.92
	<b>Total</b>	<b>2988.11</b>	<b>6823.41</b>
<b>24.</b>	<b>Other expenses</b>		
	Consumption of stores & spare parts	1306.17	1420.95
	Power and Fuel	23355.11	28215.84
	Dyes & Chemicals	2946.53	3064.92
	Rent	40.99	34.08
	Repair to Buildings	658.77	506.36
	Repair to Machinery	3301.89	3883.80
	Insurance	865.10	849.26
	Rates and taxes	182.95	153.73
	Payment to auditors (ref note 24.1)	19.94	14.98
	Exchange Rate Difference (Net)	53.30	28.27
	Brokerage/commission on sale	1307.64	2255.45
	Cost of Raw Material Sold	15.06	149.17
	Freight and forwarding	5702.53	10928.16
	Packing Store Consumed	3722.33	4702.22
	Vehicle Maintenance and Conveyance	363.90	331.59
	Bank Charges	335.98	643.77
	Others	2114.47	1409.18
	<b>Total</b>	<b>46292.66</b>	<b>58591.73</b>
<b>24.1</b>	<b>Payment to auditors</b>		
	Audit Fees	15.52	14.36
	Tax Audit Fees	3.90	-
	Certification Charges	0.42	0.16
	Out of Pocket Expenses	0.10	0.46
	<b>Total</b>	<b>19.94</b>	<b>14.98</b>
<b>25.</b>	<b>Tax expense</b>		
(1)	Current tax		
	Provision for Taxation	3,775.00	17,000.00
(2)	Deferred tax assets / liabilities	180.00	254.29
	<b>Total</b>	<b>3,955.00</b>	<b>17,254.29</b>



Note No.	Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
<b>Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:</b>			
	Accounting profit before tax	<b>15,034.25</b>	67,473.06
	All india's statutory income tax rate of 25.168% (31st March 2022: 25.168%)	<b>3,783.82</b>	16,981.62
	Reversal of deferred tax asset on temporary differences etc.	<b>171.18</b>	272.67
	<b>Income tax expense/ deferred tax reported in the statement of profit and loss</b>	<b>3,955.00</b>	17,254.29



## 26. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

### I. Background

Nahar Spinning Mills Limited (the "Company") incorporated as a Private Limited company in 1980 and became a Public Limited company in 1983. Nahar Spinning Mills Limited is engaged in the business of manufacture of cotton yarn/blended yarn and hosiery knitwears. The company is a public Limited company domiciled in India and is incorporated under the provisions of Companies Act applicable in India, Its shares are listed in recognized stock exchanges of India. The registered office of the company is located at 373, Industrial Area 'A', Ludhiana.

### II. 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

##### (i) Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies Indian Accounting Standard Rules, 2015 notified under section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act. The Financial statements of the company for the year ended 31 March, 2023 have been approved by the Board of Directors at their meetings held on 30th May, 2023

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

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

##### (ii) Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### (iii) Current/Non-current classification :

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

#### (b) Foreign currency translation

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

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 the Statement of profit and loss.

#### (c) Revenue recognition

(i) Revenue arises mainly from the sale of manufactured and traded goods. To determine whether to recognise revenue, the Company follows a 5-step process:

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



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

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

**Sale of goods**

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

**Rendering of services**

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

- (ii) Export Incentives- Export incentives are recognised on post export basis.
- (iii) Interest income - Interest income is recognised on accrual basis.
- (iv) Dividend income - Dividends are recognised in profit or loss only when the right to receive payment is established
- (v) Rental Income- Rental income is accounted for on accrual basis.
- (vi) Scrap (i.e empties, miscellaneous scrap etc. ) is accounted for on sale basis
- (vii) Income and other Claims -Revenue in respect of claims is recognised when no Significant uncertainty exists with regard to the amount to be realised and ultimate Collection thereof .

**(d) Government Grant**

Grants from the government are recognised at their fair value when there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Government grant relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are recognised in the statement of profit or loss over the period of useful life of asset.

**(e) Income Tax**

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

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

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

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

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates



to items recognised in other comprehensive income, In that case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(f) Trade receivables**

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

**(g) Cash and Cash Equivalents :**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other bank balances and bank overdrafts.

**(h) Inventories**

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

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

**(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 Statement of profit and loss), and
- Those measured at amortised cost

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

For assets measured at fair value, gains and losses will either be recorded in profit or 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 the fair value through other comprehensive income.

**(ii) Measurement**

At initial recognition, the company measures a financial asset at its fair value plus transaction cost that are directly attributable to the acquisition of the financial asset. In the case of a financial asset at fair value through profit or loss, transaction costs of financial assets are expensed in the Statement of profit and loss.

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss.

**(iii) Impairment of financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less cost of disposal and its value in use.

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 losses to be recognised from initial recognition of the receivables.

(iv) **Derecognition of financial assets**

A financial asset is derecognised only when

- The company has transferred the rights to receive cash flows from the financial asset or
- 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.

(j) **Impairment of Non-Financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose 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 assets or group of assets (cash-generating units). Non-Financial assets suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period

(k) **Non- Current assets held for sale:**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable. They are measured at lower of their carrying amount and fair value less cost to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt

Non-current assets are not depreciated or amortised while they are classified held for sale. Interest and other expenses attributable to the liabilities of disposal, company classified as held for sale, continue to be recognised.

(l) **Derivatives that are not designated as hedges**

The company enters into certain derivatives/forward contracts to hedge foreign currency risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss

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

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment over the useful life in the manner prescribed in the Schedule II to the Companies Act, 2013.

- a) In Garment Division at Ludhiana, depreciation is charged on W.D.V. basis
- b) In all other units, depreciation is charged on Straight Line basis The residual values are not more than 5% of the original cost of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other 'non-current assets' and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial



year end.

**(n) Investment Properties**

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and cost of the item can be measured reliably.

Investment properties are depreciated using the written down value method over the useful life of 60 years.

**(o) Intangible assets Computer software**

Computer software are stated at cost less accumulated amortisation and impairment, if any. Amortisation methods and periods

The company amortises the computer software with a finite useful life over the period of 6 years.

**(p) 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.

**(q) Borrowings**

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

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period

**(r) Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**(s) Provisions and contingent liabilities**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

**(t) Employee benefits**

**(i) Short term obligations**

Liabilities for wages and salaries, including non-monetary benefits if any, 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.

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

The liabilities if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

**(iii) Post-employment obligations**

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

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.

**(iv) Defined contribution plans**

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

**(u) Estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities as at the date of financial statements and reported amount of income and expenses during the period.

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable
- Designation of financial assets /liabilities through FVTPL
- Estimation of defined benefit obligation
- Recognition of deferred tax assets for carried forward tax losses

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

**(v) Cash Flow Statement :**

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS)-7 "Statement of Cash Flows" using indirect method for operating activities.

**(w) Earning per share****(i) Basic earning per share**

Basic earning per share is calculated by dividing :

- The profit attributable to equity share holders and
- By the weighted average number of equity shares outstanding during the financial year.

**(ii) Diluted earning per share**

Diluted earning per share adjusts the figures used in the determination of basic earning per share to take in to 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.

**(x) New Standards/Amendments notified but not yet effective:**

Ministry of Corporate Affairs (MCA), on March 31, 2023, through the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2023 amended certain existing Ind ASs on miscellaneous issues with effect from 1st April 2023. Following are few key amendments relevant to the Company:

- i. Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting – Material accounting policy information (including focus on how an entity applied the requirements of Ind AS)



shall be disclosed instead of significant accounting policies as part of financial statements.

- ii. Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.
- iii. Ind AS 8 – Accounting policies, changes in accounting estimate and errors-Clarification on what constitutes an accounting estimate provided.
- iv. Ind AS 12 – Income Taxes – In case of a transaction which give rise to equal taxable and deductible temporary differences, the initial recognition exemption from deferred tax is no longer applicable and deferred tax liability & deferred tax asset shall be recognized on gross basis for such cases.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

**27. Contingent liabilities not provided for**

- a) Excise/Service Tax/Sales Tax/Income Tax/ Other Government Authorities have raised demands of Rs. 175.56 Lacs (31 March 2022: Rs.190.07 Lacs) out of which a sum of Rs. 6.00 Lacs (31 March 2022: Rs. 7.14 Lacs) has been deposited against said demand. Further these demands have been contested in appeal and no provision has been made in the financial statement.
- b) The Company has given Bank Guarantees for Rs. 5 Lacs ( 31 March 2022 : Rs. 5 Lacs) in favour of Punjab Pollution Control Board and Bank Guarantee for Rs.6.69 Lacs (31 March 2022 : Rs. 6.69 Lacs) in favour of Ministry of Textiles.
- c) Levy of Entry Tax on certain items including yarn by the Punjab Government is subjudice before the Hon'ble Punjab & Haryana High Court .The Punjab Government has deferred the same subject to undertaking by the company that if the same is hold valid by the Hon'ble High Court , then company will deposit the same w.e.f the date of undertaking . The amount of such entry tax is Rs. 153.50 Lacs (31 March 2022: Rs.153.50 Lacs) .It has no material effect on the profitability of the company as either company will get refund or get ITC of the same.

**28. Capital commitments**

Estimated amount of Contracts remaining to be executed , net of advances -

	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
On Capital Accounts	6,866.75	25,733.51
On Others	173.76	2,400.65

- 29.** There are no Micro & Small enterprises covered under Micro, Small and Medium Scale Development Act,2006, to whom the company owes dues, which are outstanding for more than 45 days. This information has been determined on the basis of information received from the parties

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
The principal amount and the interest due thereon (to be shown separately) remaining unpaid	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act	-	-

**30. Other notes**

- I. Salaries & wages incurred during the year on repairs and maintenance of Building and Plant & Machinery etc. have been charged to former accounts and not shown separately.
- II. In the opinion of the board, the value of Current Assets, Loans and Advances have a value in the ordinary course of business at least equal to that stated in the balance sheet
- III. Some balances of Trade Payables, Advances and Trade Receivables are subject to their Confirmation.
- IV. Borrowing cost amounting Rs. 418.41 Lacs (31st March 2022 : Rs. 18.77 Lacs) has been capitalized during the year.
- V. Material events occurring after the balance sheet date are taken into cognizance.

- VI. To meet its CSR Obligation under section 135 of Companies Act, 2013 and as per the company's CSR policy approved and adopted by the Board of Directors, company joined hands with Group Companies under one umbrella, to undertake the CSR projects through Oswal Foundation. Oswal Foundation is a Registered Society formed in the year 2006 having its charitable objects in various fields It has already registered itself with the Ministry of Corporate Affairs with vide Registration no. CSR0000145 for undertaking CSR activities.

The foundation is going to undertake "Health Care Project", as approved by the consortium at Mohan Dai Oswal Cancer Hospital and Research Foundation, Ludhiana During the financial year 2022-23 CSR committee recommended Rs.434 lakhs (Previous year Rs.53.91), for CSR obligation being two percent of the average net profits of the company for three immediately preceding financial years. Accordingly, to fulfil its obligation under CSR, Board on the recommendation of CSR Committee decided to contribute an amount of Rs.500 lakhs (Previous year Rs.53.91 lakhs) to the Oswal Foundation for undertaking Health care projects as approved by the consortium of the Group Companies formed to undertake CSR activities through Oswal Foundation. The company also contributed Rs.10 lakhs under CSR to M/S Team Work Welfare Foundation, Bhopal for promotion of sports activities.

As per the decision of CSR committee, the company has debited in p & l account only current years' liability of Rs. 434 lakhs and the balance amount of Rs.76 lakhs have been shown as advance/Prepaid in other recoverables- under Note 8 - Other Current assets and will be adjusted against liability in subsequent years

**Particulars**

	<b>31st March 2023</b>	<b>31st March 2022</b>
The amount required to be spent	434.00	53.91
The amount spent	434.00	53.91

- VII. The Company had entered into a contract with Trident International Holdings FZCO, Dubai to purchase property for official use for a consideration of Thirteen Million Three hundred nineteen thousand eight hundred ninety eight Dirhams. The company has paid Seven Million Nine hundred ninety one thousand nine hundred forty Dirhams. (INR 939.51 Lacs) As per the contract, the above said party was supposed to handover the contracted property at the end of 1st Quarter of 2011. The said party breached the contract, thus company is entitled to recover full payment of the amount paid and reasonable interest and damages etc. and for this purpose the company has initiated legal proceedings against the party to recover the amount. The arbitration order has been decided in favour of the company and the company has filed execution & recovery petition Till company recovers the amount by a legal process, the amount paid by the company has been shown as advances recoverable in Cash or Kind.

- VIII. The Company has purchased Guest House at Shimla from Bemloi development and Infrastructure Co. P Ltd. (DLF Group) New Delhi for value of Rs. 389 Lacs plus applicable Taxes, as per agreed payment terms based on construction work. Till date company has paid 95% demanded amount as a part consideration of the said property. Since the builder M/s Bemloi Development and Infrastructure Company (p) Ltd. (DLF Group), New Delhi failed to fulfil the commitment, complete the construction and deliver the possession within stipulated time, therefore company has filed a case before National Consumer Disputes redressal Commission for redressal of our claim of the advance paid of Rs. 382 Lacs alongwith compensation and interest. As on date company is in advance stage of settlement of compensation with the developer. This amount has been shown as advances recoverable in Cash or Kind.

- IX. Advances recoverable amount includes Rs. 500 Lacs on account of GST paid under protest and final treatment of this expense would be considered as and when the matter is finally adjudicated.



- X. During last year, the Company participated in e-auction conducted by DRT Chandigarh for purchase of one Textile unit, being highest bidder, the company deposited full amount of Rs. 3797.60 Lacs with respective authorities but purchase was not finalised being matter sub-judice. Now the company has withdrawn itself from the auction and has filed application for refund with relevant authorities. The amount has been shown as advance recoverable under Non-Current Assets under the head Capital Advance
- XI. An ocean vessel carrying the containerized export shipments of finished goods of the company amounting to Rs. 11.49 Crores had partly tilted/capsized at the seaport's berth on 24th March 2022. The rescue operations of the cargo have been completed. The containers are still lying with the port authorities of Syama Prasad Mookerjee Port, Kolkata pending final settlement between the shipping line and the port authorities. The shipping company has to arrange possession of the consignments for ascertainment of the loss (if any) after final assessment of the goods received physically.
- The revenue against sale of such goods was recognized in the financial year 2021-22 and the amount is shown as trade receivables in the financial statement. The financial effect in the books as regard to recoverable value of the consignment shall be considered after the final assessment only.
- XII. The company is operating in single segment i.e Textiles. Hence segment reporting as required under IND AS 108 (Operating Segments) is not applicable.
- XIII. The figures of the previous period/year have been regrouped/recasted wherever considered necessary to correspond to current period/year disclosures.

**Major Customer**

Sales of the company is evenly distributed, disclosure of major customer is not being made There is no single customer having sale more than 10% of the turnover of the company.

**31. Government Grants**

	31st March 2023	31st March 2022
<b>At the beginning of the year</b>	-	1,341.92
Provided during the year	-	-
Adjusted /Received during the year	-	1,341.92
<b>At the end of the year</b>	-	-
Current	-	-
Non-current	-	-

**32. Significant accounting judgements, estimates and assumptions**

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

**Judgements**

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

**Estimates and assumptions**

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

**Defined benefit plans (gratuity benefits)**

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



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

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

#### **Fair value measurement of financial instruments**

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

#### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

### **33. Financial risk management objective and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

#### **(A) Market risk**

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

##### **a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to 'the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings, the analysis is prepared assuming the amount of the liability outstanding 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 change in interest rates.

	<b>As at 31st March 2023</b>	As at 31st March 2022
Variable rate borrowings	<b>63,447.39</b>	71,212.10
Fixed rate borrowings	<b>9,541.44</b>	30,075.06

#### **Interest rate sensitivity**

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



	Effect on Profit before tax	
	31st March 2023	31st March 2022
Increase by 50 basis points	(317.24)	(356.06)
Decrease by 50 basis points	317.24	356.06

**b) Foreign currency risks**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in International currencies as part of the business is transacted in foreign currencies and consequently the company is exposed to foreign exchange risk. The Company's exposure in foreign currency is in loans, trade receivables and advances and trade payables.

**(i) Particulars of unhedged foreign currency exposure as at reporting date**

Particulars	USD	(Foreign currency in lacs)	
		EURO	Others
<b>As at 31st March 2023</b>			
Trade Receivables	-	-	-
Trade Payables	26.87	-	0.06
Others	4.70	3.15	-
<b>As at 31st March 2022</b>			
Trade Receivables	-	-	-
Trade Payables	0.013	-	0.15
Others	43.20	35.28	4.72

**Foreign currency sensitivity**

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

	31st March, 2023		31st March, 2022	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	129.71	(129.71)	163.77	(163.77)
EURO	14.10	(14.10)	148.59	(148.59)
Others	0.27	(0.27)	19.98	(19.98)
<b>Increase/(decrease) in Profit or Loss</b>	<b>144.08</b>	<b>(144.08)</b>	<b>332.34</b>	<b>(332.34)</b>

**ii) Foreign Currency Exposure**

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

Category wise quantitative data	As at 31st	(in Lacs)
	March,2023	As at 31st March,2022
Type of contract	USD	USD
Forward contracts against exports	198.38	305.66
Foreign Currency Loans	-	66.18
Packing Credit in Foreign Currency	25.54	127.17

**iii) Price risk**

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

**B) Credit risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) Credit risk management





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

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

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Moderate credit risk	Trade receivables and other financial assets	Life time expected credit loss or 12 month expected credit loss

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

#### **Cash & cash equivalents and bank deposits**

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

#### **Trade receivables**

Credit risk related to trade receivables are mitigated by taking bank guarantees/letter of credit, from customers where credit risk is high. The Company closely monitors the credit-worthiness of the debtors through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company assesses increase in credit risk on an ongoing basis for amounts receivable that become past due and default is considered to have occurred when amounts receivable become one year past due.

#### **Other financial assets measured at amortised cost**

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

#### **(i) Trade Receivables**

Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6.2. Trade receivables are unsecured but considered good subject to provision made thereon.

Trade receivables	31st March 2023	31st March 2022
Not Due	29,716.02	47,828.32
Up to 6 Months past Due	653.01	4,456.39
6 Months to 1 Year past Due	1,122.68	12.33
1 to 2 Year	0.41	1.13
2 to 3 Year	0.26	0.29
More than 3 Year	0.20	0.21
	<u>31,492.58</u>	<u>52,298.67</u>

**Provision for Doubtful Debts**

More than 1 year	-	-
<b>Total</b>	<b>31,492.58</b>	<b>52,298.67</b>

<b>Reconciliation of Provision for Doubtful Debts</b>	<b>31st March 2023</b>	<b>31st March 2022</b>
Balance at the Begging of the Year	-	-
Add: Provision made during the year	-	-
Less: Provision Written Back during the Year	-	-
Balance at the end of the Year	-	-

**(C) Liquidity risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. The Company has access to the following undrawn borrowing facilities at the end of the reporting periods -

	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Floating rate</b>		
<b>(a) Expiring within one year (Bank overdraft and other facilities)</b>		
<b>Secured</b>		
-Working Capital Limits	<b>52,133.69</b>	39,015.65
<b>(b) Expiring beyond one year (Bank loans)</b>		
<b>Secured</b>		
-Term loan from banks	<b>9,873.48</b>	22,151.57

**(ii) Maturity Patterns of borrowings**

	<b>Less than 1 Year</b>	<b>1 to 3 years</b>	<b>3 to 5 years</b>	<b>More than 5 years</b>
<b>Year ended 31st March, 2023</b>				
Contractual Maturities of long term borrowings	<b>5,885.46</b>	<b>11,942.00</b>	<b>7,738.44</b>	12,038.00
Contractual Maturities of trade payables	<b>9,858.73</b>	-	-	-
Contractual Maturities of other financial liabilities	<b>119.14</b>	<b>42.26</b>	-	-
<b>Total</b>	<b>15,863.33</b>	<b>11,984.26</b>	<b>7,738.44</b>	<b>12,038.00</b>
<b>Year ended 31st March, 2022</b>				
Contractual Maturities of long term borrowings	<b>4,460.00</b>	<b>15,575.84</b>	<b>8,638.44</b>	13,756.00
Contractual Maturities of trade payables	<b>1,902.50</b>	-	-	-
Contractual Maturities of other financial liabilities	<b>31.47</b>	<b>7.43</b>	-	-
<b>Total</b>	<b>6,393.97</b>	<b>15,583.27</b>	<b>8,638.44</b>	<b>13,756.00</b>

**34 Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents..



	<b>31st March 2023</b>	<b>31st March 2022</b>
Borrowings	<b>72,988.83</b>	101,287.16
Trade payables	<b>9,858.73</b>	1,902.50
Less: Cash and cash equivalents	<b>5,213.68</b>	301.09
<b>Net debt</b>	<b>77,633.88</b>	102,888.57
Equity	<b>155,389.37</b>	160,056.42
<b>Capital and net debt</b>	<b>233,023.25</b>	262,944.99
Gearing ratio	<b>0.33</b>	0.39

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022

### 35. Distribution made and proposed

	<b>31st March 2023</b>	<b>31st March 2022</b>
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on 31 March 2022: ₹ 2.00 per share ( 31 March 2021 : ₹ 1.50 per share)	<b>721.31</b>	540.98
Interim dividend for the year ended on 31 March 2023 Nil: (31 March 2022: ₹ 1.50 per share)	-	540.98
	<b>721.31</b>	<b>1,081.96</b>
<b>Proposed dividends on Equity shares:</b>		
Final cash dividend for the year ended on 31 March 2023: ₹ 1.50 per share (31 March 2022: ₹ 2.00 per share)	<b>540.98</b>	721.10
	<b>540.98</b>	721.10

### 36. Post-Employment Obligations - Gratuity

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

(Rs. in Lacs)

<b>Changes in defined benefit obligation</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Gratuity Plan	<b>4,702.94</b>	4,349.77

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

<b>Changes in defined benefit obligation</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Present value obligation as at the start of the year	<b>4,349.77</b>	4,096.14
Interest cost	<b>279.28</b>	246.75
Service cost	<b>469.78</b>	455.23
Benefits paid	<b>(236.53)</b>	(359.09)
Actuarial loss/(gain) on obligations	<b>(159.36)</b>	(89.26)
<b>Present value obligation as at the end of the year</b>	<b>4,702.94</b>	4,349.77



<b>Change in fair value of plan assets</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Fair value of plan assets as at the start of the year	<b>3,954.80</b>	3,845.21
Return on plan assets	<b>264.04</b>	238.44
Return on plan assets (greater)/less than discount rate	<b>20.14</b>	7.82
Contribution	<b>328.15</b>	238.06
Benefits paid	<b>(236.53)</b>	(359.09)
<b>Fair value of plan assets as at the end of the year</b>	<b>4,290.32</b>	3,954.80

**Breakup of Actuarial gain/loss:**

<b>Description</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Actuarial (gain)/loss on arising from change in financial assumption	<b>(131.19)</b>	(76.09)
Actuarial (gain)/loss on arising from experience adjustment	<b>(28.17)</b>	(13.17)
Return on plan assets (greater)/less than discount rate	<b>20.14</b>	7.82

<b>Reconciliation of present value of defined benefit obligation and the fair value of plan assets</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Present value obligation as at the end of the year	<b>4,702.94</b>	4,349.77
Fair value of plan assets as at the end of the year	<b>4,290.32</b>	3,954.80
Net asset/(obligation) recognized in balance sheet	<b>(412.62)</b>	(394.97)

<b>Amount recognized in the statement of profit and loss</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Service cost	<b>469.78</b>	455.23
Interest cost	<b>15.24</b>	8.31
(Income)/Expense recognised in the statement of profit and loss	<b>485.02</b>	463.54

**Amount recognised in the statement of Other Comprehensive Income**

<b>Description</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Actuarial (Gain)/Loss for the year on DBO	<b>(159.36)</b>	(89.26)
Return on plan assets (greater)/less than discount rate	<b>20.14</b>	7.82
<b>Recognised actuarial (Gain)/Loss at the end of the year</b>	<b>(139.22)</b>	<b>(81.44)</b>

<b>Actuarial assumptions</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Discount rate	<b>7.10%</b>	6.60%
Future salary increase	<b>5.00%</b>	5.00%

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

**Sensitivity analysis for gratuity liability**

	<b>31-Mar-23</b>	<b>31-Mar-22</b>
<b>Discount rate</b>	<b>7.10%</b>	6.60%
Present value obligation as at the end of the year	<b>4,702.94</b>	4,349.77
a) Impact due to increase of 0.50%	<b>(124.11)</b>	(121.14)
b) Impact due to decrease of 0.50%	<b>131.19</b>	128.31
<b>Salary escalation rate at the end of the year</b>	<b>5.00%</b>	5.00%
Present value of obligation at the end of the year	<b>4,702.94</b>	4,349.77
a) Impact due to increase of 0.50%	<b>131.57</b>	128.55
b) Impact due to decrease of 0.50%	<b>(125.76)</b>	(122.51)



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

**The following payments are expected contributions to the defined benefit plan in future years:**

(Rs. in Lacs)

Description	31-Mar-23	31-Mar-22
March 31, 2023	-	711.08
March 31, 2024	824.21	549.57
March 31, 2025	639.87	592.57
March 31, 2026	597.96	573.80
March 31, 2027	713.92	689.99
March 31, 2028	725.76	
March 31, 2023 (March 31, 2029 to March 31, 2033) and March 31, 2022 ( March 31, 2028 to March 31, 2032)	3,771.47	3,522.95
<b>Total expected payments</b>	<b>7,273.19</b>	<b>6,639.96</b>

Withdrawal Rate	31-Mar-23	31-Mar-23
<b>Attrition rate at the year and</b>	<b>10.00%</b>	<b>10.00%</b>
Effect on DBO due to 5 % increase in Withdrawl Rate	100.61	64.60
Effect on DBO due to 5 % decrease in Withdrawl Rate	(191.28)	(134.36)

The average duration of the defined benefit plan obligation at the end of the reporting period is 6 years. (31st March 2022: 6 years)

**Post Employment Benifit of KMP's**

(Rs. in Lacs)

Name of KMP	Date of Joining	DBO as at 31.03.2023	DBO as at 31.03.2022
Sh. Dinesh Oswal	01-01-1987	14.61	14.57
Sh. Anil Kumar Garg	01-02-1993	17.87	16.11
Sh. Brij Sharma	11-09-1989	20.00	17.82

**37. Reconciliation of Changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes as per the requirement of IND AS-7 'Statement of Cash Flows'**

Particulars	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
<b>A. Borrowings from Banks</b>		
<b>Balance at the beginning of the period</b>	<b>19227.75</b>	<b>81059.41</b>
Add:/Less Changes during the period		
(a) Changes from financing cash flows	8463.70	-35762.03
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) the effect of changes in foreign exchange rates	-	-
(d) changes in fair values	-	-
(e) other Changes	-	-
<b>Balance at the end of the period</b>	<b>27691.45</b>	<b>45297.38</b>
<b>B. Deposits from body corporates</b>		
<b>Balance at the beginning of the period</b>	<b>-</b>	<b>1000.00</b>
Add:/Less Changes during the period		
(a) Changes from financing cash flows	-	1000.00
(b) Changes arising from obtaining or losing control of subsidiaries or other business	-	-
(c) The effect of changes in foreign exchange rates	-	-
(d) Changes in fair values	-	-



(e) Other Changes	-	-
<b>Balance at the end of the period</b>	-	-

**38. Earning Per Share**

Basic/Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

<b>Particulars</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>
Profit/(Loss) after Taxation	<b>11,079.25</b>	50,218.77
Add/(Less): Adjustment of Income Tax earlier Years	<b>548.38</b>	92.11
Profit After adjustment of earlier year Income Tax	<b>11,627.63</b>	50,310.88
Weighted Average Number of Shares Issued	<b>360.65</b>	360.65
Earning Per Share in Rs. (Basic & Diluted) (There are no potential equity shares) (Face Value of Rs. 5/- Share	<b>32.24</b>	139.50



**39. Related Party Disclosure**

**Associates- Nil**

**Other Related Parties/Group Companies\***

Nahar Capital & Financial Services Ltd., Nahar Poly Films Ltd., Nahar Industrial Enterprises Ltd., Oswal Woollen Mills Limited., Abhilash Growth Fund(P) Ltd., Monica Growth Fund(P) Ltd., Monte Carlo Fashions Ltd., Cotton County Retail Ltd., Oswal Foundation. Closettrunk Pvt Ltd. Sankeshwar Holding Company Ltd.

**Key Management personnel**

- Sh. Dinesh Oswal (Managing Director), Sh. Anil Kumar Garg (CFO), Sh. Brij Sharma (Company Secretary)

**Relatives of KMP**

- Sh. Jawahar Lal Oswal, Sh. Kamal Oswal, Mrs. Abhilash Oswal, Mrs. Ritu Oswal, Mr. Sambhav Oswal, and Ms. Tanvi Oswal

**Directors/Independent Directors**

Sh. Dinesh Gogna, Sh. Satish Kumar Sharma, Dr. Suresh Kumar Singla, Dr. Amrik Singh Sohi, Dr. Vijay Asdhir, Dr. Roshan Lal Behl, Dr. Manisha Gupta Sh. Yash Paul Sachdeva, Sh. Anchal Kumar

Particulars	Other Related Parties/ Group Companies		Key management Personnel & their relative and Directors/Independent Directors				Total
	31st March 2023	31st March 2022	31st March 2023	31st March 2022	31st March 2023	31st March 2022	
Purchase of Goods/Services	1,242.29	1,067.44	-	-	1,242.29	1,067.44	
Sale of Goods/Services	5,616.26	8,188.96	-	-	5,616.26	8,188.96	
Purchase of Shares	2,000.00	-	-	-	2,000.00	-	
Purchase of Fixed Assets	-	8.69	-	-	-	8.69	
Sale of Fixed Assets	3,182.05	-	-	-	3,182.05	-	
Rent Paid	34.07	26.08	4.32	4.25	38.39	30.33	
Interest Paid	71.96	425.12	-	-	71.96	425.12	
Rent Received	116.59	80.09	12.18	11.50	128.77	91.59	
Interest Received	49.15	-	-	-	49.15	-	
On other account paid	321.50	11.43	-	-	321.50	11.43	
On other account received	201.80	101.92	-	-	201.80	101.92	
Contribution towards CSR Expenses/advance	500.00	53.91	-	-	500.00	53.91	
Sale of Export Licence	463.08	137.49	-	-	463.08	137.49	
Purchase of Export Licence	-	0.83	-	-	-	0.83	
Inter-corporate Loans Taken	600.00	3,725.00	-	-	600.00	3,725.00	
Inter-corporate Loans Repaid	1,600.00	10,225.00	-	-	1,600.00	10,225.00	
Inter-corporate Loans Given	1,000.00	-	-	-	1,000.00	-	
Inter-corporate Loans Received Back	1,000.00	-	-	-	1,000.00	-	
Inter-corporate Loans Outstanding	-	1,000.00	-	-	-	1,000.00	
Director Sitting Fee	-	-	3.20	3.50	3.20	3.50	
Commission	-	-	460.06	478.82	460.06	478.82	
Managerial Remuneration/Perquisites	-	-	1,725.53	2,305.63	1,725.53	2,305.63	
Salary	-	-	280.62	147.09	280.62	147.09	
Balance Receivable	1,466.77	1,188.78	-	-	1,466.77	1,188.78	
Balance Payable	25.21	-	503.55	1,113.05	528.76	1,113.05	

\* All transactions are inclusive of taxes wherever applicable

**40. Fair value measurement**
**(a) Financial instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	1,552.76	12,262.69	2,488.19	517.07	30,100.13	-
Trade receivables	-	-	31,492.58	-	-	52,298.67
Security deposit	-	-	3,465.50	-	-	3,186.69
Other financial assets	-	-	146.48	-	-	90.87
Cash and equivalents	-	-	5,213.68	-	-	301.09
Other bank balances	-	-	73.39	-	-	74.03
<b>Total</b>	<b>1,552.76</b>	<b>12,262.69</b>	<b>42,879.82</b>	<b>517.07</b>	<b>30,100.13</b>	<b>55,951.35</b>
<b>Financial liabilities</b>						
Borrowings (excluding current maturities of long term debts )	-	-	67,103.37	-	-	97,827.16
Trade payable	-	-	9,858.73	-	-	1,902.50
Other financial liabilities	-	-	194.67	-	-	107.51
<b>Total</b>	<b>-</b>	<b>-</b>	<b>77,156.77</b>	<b>-</b>	<b>-</b>	<b>99,837.17</b>





**(b) Fair value measurement hierarchy for assets and liabilities**

The Company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	31st March 2023			31st March 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Particulars</b>						
<b>Financial assets</b>						
Investments	13,546.41	488.18	2,269.05	28,881.01	0.005	1,736.18
<b>Total financial assets</b>	<b>13,546.41</b>	<b>488.18</b>	<b>2,269.05</b>	<b>28,881.01</b>	<b>0.005</b>	<b>1,736.18</b>
<b>Financial assets and liabilities measured at amortised cost for which fair values are disclosed</b>	<b>31st March 2023</b>					
<b>Particulars</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>Financial Assets</b>						
Trade receivables			31,492.58			52,298.67
Security deposit	-	-	3,465.50	-	-	3,186.69
Other financial assets	-	-	146.48	-	-	90.87
Cash and equivalents	-	-	5,213.68	-	-	301.09
Other bank balances	-	-	73.39	-	-	74.03
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>40,391.63</b>	<b>-</b>	<b>-</b>	<b>55,951.35</b>
<b>Financial liabilities</b>						
Borrowings(excluding current maturities of long term debts )	-	-	67,103.37	-	-	97,827.16
Trade payable	-	-	9,858.73	-	-	1,902.50
Other financial liabilities	-	-	194.67	-	-	107.51
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>77,156.77</b>	<b>-</b>	<b>-</b>	<b>99,837.17</b>

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

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

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**c. Fair value of financial assets and liabilities measured at amortised cost**

Particulars	31 March 2023		31 March 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security deposit	3,465.50	3,465.50	3,186.69	3,186.69
<b>Total financial assets</b>	<b>3,465.50</b>	<b>3,465.50</b>	<b>3,186.69</b>	<b>3,186.69</b>
<b>Financial liabilities</b>				
Borrowings (excluding current maturities of long term debts )	67,103.37	67,103.37	97,827.16	97,827.16
Retention Money	161.40	161.40	38.90	38.90
<b>Total financial liabilities</b>	<b>67,264.77</b>	<b>67,264.77</b>	<b>97,866.06</b>	<b>97,866.06</b>

The carrying amounts of trade receivables, trade payables, advances to employees, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to short term nature.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk.

**41. Other Information**

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



**42. Key Ratios**

Sr. No	RATIO	Numerator	Denominator	31.03.2023	31.03.2022	% Variance	Reason for Variance
1	Current ratio (in times)	Total current assets	Total current liabilities	1.89	1.56	21%	Not required as variance below 25%
2	Debt-Equity ratio (in times)	Debt consists of total borrowings	Total equity	0.47	0.63	-26%	Due to lower availment of working capital limits
3	Debt service coverage ratio (in times)	Earning for Debt Service=Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service=Interest + Principal repayments	3.12	4.41	-29%	Decrease is due to lower profitability
4	Return on equity ratio (in %)	Profit for the year less Preference dividend (If any)	Average Total equity	0.07	0.40	-83%	Decrease is due to lower profitability
5	Inventory Turnover Ratio (in times)	Revenue from operations	Average Inventory	3.04	4.02	-24%	Not required as variance below 25%
6	Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	6.68	8.63	-23%	Not required as variance below 25%
7	Trade payables turnover ratio (in times)	Net Credit Purchases	Average trade payables	34.34	108.41	-68%	Due to lower purchases and coupled with increase in creditors
8	Net capital turnover ratio (in times)	Revenue from operations	Working capital	4.50	5.69	-21%	Not required as variance below 25%
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	3.96	13.97	-72%	Due to decrease in turnover and lower margins
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed= Net worth + Total debts+ Deferred tax liabilities)	0.08	0.28	-72%	Due to decrease in turnover and lower margins
11	Return on investment (in %)	Income generated from invested funds	Average cost invested funds in investments	0.07	0.05	40%	Due to Increase in income from investments









## Performance At A Glance

Rupees in Lacs

SR. NO.	PARTICULARS	2018-19	2019-20	2020-21	2021-22	2022-23
1	OPERATING INCOME	230519	208270	211186	359386	279691
2	EXPORTS	139409	110762	114634	217553	113516
3	OTHER INCOME	1265	728	696	1451	4431
4	GROSS PROFIT( Before Interest & Dep)	24343	6623	20081	81841	25278
5	PROFIT AFTER TAX	6512	-5306	4141	50219	11079
6	CASH ACCRUALS (Before Tax & Dep.)	18838	358	13555	75018	22290
7	GROSS BLOCK	112014	121055	125935	136216	151270
8	NET BLOCK	74713	75597	72399	75208	83778
9	SHARE CAPITAL ( PAID UP )	1805	1805	1805	1805	1805
10	NET WORTH	87696	81914	89791	160056	155389
11	DEFERRED TAX RESERVE	2997	579	2296	5309	3219
12	CURRENT RATIO	1.14	1.18	1.24	1.56	1.89
13	BOOK VALUE PER SHARE	243.16	227.13	248.97	443.80	430.86
14	EARNING PER SHARE ( BASIC )	18.22	-14.41	11.33	139.50	32.24
15	FACE VALUE (PAID UP)	Rs. 5	Rs. 5	Rs. 5	Rs. 5	Rs. 5
16	DIVIDEND	20%	-	30%	*Interim 30%	30%
					* (Paid in November 2021)	Final 40%

## *Glimpse of CSR Project under taken by Oswal Foundation*



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Regd. Office : 373, Industrial Area - 'A' Ludhiana-141003  
Ph.: 091-0161-2600701 to 2600705, Fax : 091-0161-2222942  
E-mail : [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com)

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