



16th July, 2024

To

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051

Ref: BSE Scrip Code – 526817 | NSE Symbol: CHEVIOT | ISIN - INE974B01016

Dear Sir/Madam

Sub: Cheviot Company Limited – Notice of the 126th Annual General Meeting of the Company and Annual Report of the Company for the financial year ended 31st March, 2024

Pursuant to Regulations 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the year ended 31st March, 2024 together with Notice convening the 126th Annual General Meeting of the Company on **Friday, 9th August, 2024 at 11:00 a.m.** through Video Conferencing / Other Audio Visual Means ('**VC / OAVM**') facility, in accordance with the provisions of the Companies Act, 2013 read with MCA/SEBI Circulars issued in this regard.

This is for your information and record.

Thanking you

Yours faithfully

For Cheviot Company Limited

(Aditya Banerjee)

Company Secretary and Compliance Officer

Encl. as stated above

CHEVIOT COMPANY LTD.

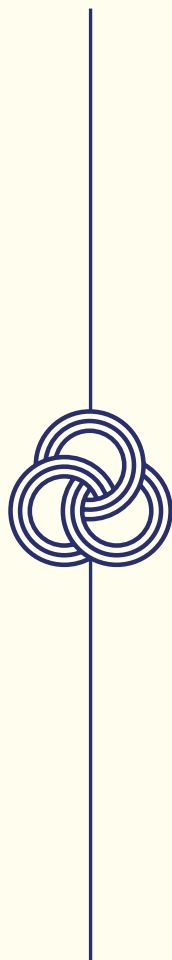
In good company



CHEVIOT
SINCE 1897

Cheviot Company Limited
Annual Report 2023-24





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Cheviot is a company with green principles.



A green consciousness that will decode to elevated returns in the future and lead to the Company's sustainable growth.

Think green. Live green.



Our **Mission**

To produce jute products adhering to international standards with highly specialized infrastructure and environmentally responsible practices. Cheviot strives to provide sustainable alternatives through processing of the eco-friendly and highly versatile golden fiber - Jute.



Our Credentials

Cheviot Company Limited (established in 1897), based in Kolkata, West Bengal is a leading manufacturer and exporter of jute products in India.



Our Core products and services

The Company has a rich and diverse product mix and has emerged as the one-stop shop for jute products over the last few years. Products include traditional jute products such as Hessian Cloths and Bags in different sizes and constructions, sacking bags like A-Twill, B-Twill and DWF bags, both normal and food grade quality, high quality industrial jute yarns of different counts in single or multiple plies/twists and decorative fabrics.



Our Plants

The Company has two state-of-the-art manufacturing units which are equipped with the latest technology and superior processes of manufacture, near Kolkata, West Bengal, India.



Budge-Budge Plant

A composite Jute Mill with over 4,000 employees, and with a daily manufacturing capacity of 160 Metric tons, where raw jute is processed into finished yarns and fabrics through extensive and meticulous manufacturing processes.



Falta Special Economic Zone Plant

A specialty weaving unit at the Falta special economic zone, manufacturing superior fabrics and geotextiles exclusively for export. Here we have over 100 Automatic Sulzer Looms imported from Switzerland, which provide a near perfect weave and high quality fabrics.



Our Customers

Our Company has an export presence in several countries including Belgium, Netherlands, Germany, Italy, USA, Saudi Arabia, Turkey, Japan and Indonesia. The domestic sales primarily consists of Government of India procurement of sacks for packaging of food grains along with local demand for fabrics, bags, and other specialised products.



Our Certifications

Quality assurance is the key preoccupation at the Company and has been the hallmark for Cheviot products. The Company is accredited with IS/ISO 9001:2015 - Quality Management Systems Certification, IS/ISO 14001:2015 - Environmental Management Systems Certification and IS/ISO 45001:2018 - Occupational Health and Safety Management Systems Certification. The Company has been granted **THREE STAR EXPORT HOUSE** status by the Ministry of Commerce and Industry, Government of India. The Company is proud recipient of Silver Export Award 2017-18 for conventional jute products and jute diversified products from the Ministry of Textiles, Government of India.



Our Presence

- We are listed on the BSE Limited and the National Stock Exchange of India Limited.
- We enjoyed ₹ 755 Crores market capitalisation as on 31 March 2024.
- Our promoters' stake was 74.83% as on 31 March 2024.

Our green conscience

At Cheviot, the Company astutely believes in giving back to the community and trusts that social responsibility is a chartered mandate. The Company reaffirms its sustainable philosophy of business by giving back where it receives.

Cheviot has minimal carbon footprint, especially in our CO₂ emission on our production of Jute bags.

On our journey towards 50% emission reduction, we have shifted from using High Density Furnace Oil (FO) to Liquid Petroleum Gas (LPG) in our Boilers. Electricity supply continues to remain externally sourced from the DISCOM with back-up of Diesel Generator used occasionally. No refrigerants were used in production of Jute Bags.



This is what the Company initiated in the year under review:



Training young sportspersons representing India at various nationally recognised sports events under the Lakshya initiative



Setting up an Education Centre for nursing students at Kanoria Hospital and Research Centre



Promoting primary education to children of slum areas under the Ashray initiative



Promoting education in rural and tribal areas in India



Supporting primary education imparted by Ramakrishna Sarada Mission, Gangarampur



Protection and nourishment of cows, bulls and calves



Restoration of school building and facilities at Sarengabad High School (H.S.).



Budge Budge P K High School, Budge Budge Uchcha Balika Vidyalaya (H.S.)

Providing benefit to armed forces dependents

Ten years Financial Highlights



(₹ in Lakhs unless otherwise stated)

Year Ended	Share capital*	Reserves and surplus / Other equity**	Net worth**	Revenue from operations	Current Tax Expense [^]	Net profit for the year	Earnings per ordinary share (F.V. of ₹ 10/- each) [®]	Book Value per ordinary share [®]	Dividend per ordinary share [®]
							in ₹	in ₹	in ₹
31-03-15	451	35,243	35,694	26,700	749	3,458	51.10	527.49	11.33
31-03-16	451	41,358	41,809	34,304	1,453	3,647	53.90	617.85	11.33
31-03-17 [#]	451	47,005	47,456	39,354	1,465	4,948	73.12	701.31	0.67
31-03-18 [#]	431	49,608	50,039	37,612	1,948	5,408	82.43	773.78	0.67
31-03-19 [#]	647	60,539	61,186	39,456	2,155	5,018	77.59	946.14	1.00
31-03-20 [#]	647	61,670	62,317	45,805	1,505	4,812	74.41	963.63	48.00
31-03-21 [#]	627	67,590	68,217	39,576	1,577	7,572	118.43	1,088.54	175.00
31-03-22 [#]	602	54,698	55,300	57,113	2,382	7,935	127.40	919.08	60.00
31-03-23 [#]	602	56,679	57,281	56,359	1,795	5,446	90.51	952.00	27.00
31-03-24 [#]	602	61,976	62,578	46,280	1,228	6,939	115.33	1,040.05	5.00

* Share capital includes amount forfeited amounting to ₹ 0.35.

** Reserve and surplus / Other equity and Net worth include revaluation surplus arising on revaluation of certain property, plant and equipment.

[#] The figures from 31st March, 2017 onwards are Ind AS compliant and are not comparable with previous years.

[®] To facilitate like to like comparison, adjusted for 1:2 bonus issue in F.Y. 2018-2019.

[^] Current tax expense includes current tax shown in other comprehensive income but excludes income tax related to earlier years.

Corporate information

BOARD OF DIRECTORS

MR. HARSH VARDHAN KANORIA	DIN 00060259	Chairman and Managing Director, Chief Executive Officer
MR. ABHISHEK MURARKA	DIN 00118310	Wholetime Director *
MR. UTKARSH KANORIA	DIN 06950837	Wholetime Director
MR. NAVIN NAYAR	DIN 00136057	Non-Executive, Independent Director ^
MR. PADAM KUMAR KHAITAN	DIN 00019700	Non-Executive, Independent Director ^
MRS. RASHMI PRASHAD	DIN 00699317	Non-Executive, Independent Director
MR. SUSHIL KUMAR DHANDHANIA	DIN 00181159	Non-Executive, Independent Director ^
MRS. MALATI KANORIA	DIN 00253241	Non-Executive, Non-Independent Director
MR. DEO KISHAN MOHTA	DIN 00060170	Non-Executive, Independent Director #
MR. SIDDHARTH JHAJHARIA	DIN 01385496	Non-Executive, Independent Director #
MR. SUTIRTHA BHATTACHARYA	DIN 00423572	Non-Executive, Independent Director #

* Appointed w.e.f. 25th May, 2023.

^ Vacated office on completion of second term as Independent Director on 31st March, 2024.

Joined as Independent Director w.e.f. 1st April, 2024.

PRESIDENT (WORKS) MR. DEBDAS MAZUMDAR	CHIEF FINANCIAL OFFICER MR. MADHUP KUMAR PATNI	COMPANY SECRETARY AND COMPLIANCE OFFICER MR. ADITYA BANERJEE
REGISTERED OFFICE 24, PARK STREET, CELICA HOUSE, 9TH FLOOR, CELICA PARK KOLKATA PIN 700 016 WEST BENGAL BOARDLINE +91 82320 87911/12/13 E-MAIL ID cheviot@chevjute.com investorservices@chevjute.com WEBSITE https://www.cheviotgroup.com CIN L65993WB1897PLC001409	BANKER AXIS BANK LIMITED AUDITORS STATUTORY AUDITOR SINGHI & CO. CHARTERED ACCOUNTANTS INTERNAL AUDITOR G.P. AGRAWAL & CO. CHARTERED ACCOUNTANTS SECRETARIAL AUDITOR M R & ASSOCIATES, PRACTISING COMPANY SECRETARIES COST AUDITOR D. RADHAKRISHNAN & CO., COST ACCOUNTANTS	PLANTS LOCATION BUDGE BUDGE UNIT 19, MEHTA ROAD, BADEKALINAGAR, BUDGE-BUDGE, 24-PARGANAS (SOUTH) PIN 700 137, WEST BENGAL FALTA UNIT SECTOR II, FALTA SPECIAL ECONOMIC ZONE FALTA, 24-PARGANAS (SOUTH) PIN 743 504, WEST BENGAL

REGISTRAR AND SHARE TRANSFER AGENT

MAHESHWARI DATAMATICS PRIVATE LIMITED

ADDRESS: 23, R. N. MUKHERJEE ROAD (5TH FLOOR) KOLKATA PIN 700 001 WEST BENGAL

PHONE: (033) 2248 2248 / 2243 5029

E-MAIL ID: mdpldc@yahoo.com

WEBSITE: https://www.mdpl.in

BOARD'S REPORT

(₹ in Lakhs)

Dear Members,

Your directors have the pleasure of presenting their report and the audited financial statements for the year ended 31st March, 2024.

1. FINANCIAL SUMMARY OR HIGHLIGHTS

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from operations	46,280.30	56,358.84
Operating profit after depreciation and amortisation	3,990.33	6,074.29
Add: Other income	4,500.03	1,072.16
Profit before tax	8,490.36	7,146.45
Tax expense	1,550.98	1,700.33
Profit for the year	6,939.38	5,446.12

2. DIVIDEND

The Board of Directors have recommended a final dividend of ₹ 5/- per ordinary share on 60,16,875 ordinary shares of face value of ₹ 10/- each (50%), amounting to ₹ 300.84 for the year ended 31st March, 2024 (P.Y. ₹ 27/- per ordinary share on 60,16,875 ordinary shares of face value of ₹ 10/- each (270%), amounting to ₹ 1,624.56) payable to those members whose names shall appear in the Register of Members or the Register of Beneficial Owners maintained by the depositories, as on **Friday, 14th June, 2024**, being the **Record Date**, subject to approval of the members at the ensuing annual general meeting of the Company.

3. BUY BACK OFFER

The Board of Directors have approved to Buy-Back up to 1,75,000 (One Lakh Seventy-Five Thousand) fully paid-up ordinary shares of face value of ₹ 10/- (Rupees Ten Only) each of the Company, representing 2.91% of the total number of ordinary shares in the issued, subscribed and paid-up ordinary share capital of the Company as on 31st March, 2024, from those members whose names shall appear in the Register of Members or the Register of Beneficial Owners maintained by the depositories, as at the close of business hours on **Friday, 14th June, 2024**, being the **Record Date**, on a proportionate basis through "Tender Offer" route using the Stock Exchange Mechanism, at a price of ₹ 1,800/- (Rupees One Thousand Eight Hundred Only) per ordinary share, payable in cash, for an aggregate maximum amount of ₹ 3150.00 representing 6.52% of the aggregate paid-up ordinary share capital and free reserves as per the latest audited standalone financial statements of the Company for the financial year ended 31st March, 2024, excluding any expenses incurred or to be incurred for the Buy-Back, subject to the approvals as may be required under the applicable laws ("**Buy-Back**"). The Board is of the view that Buy-Back will help the Company to return surplus cash to the members of the Company, holding shares broadly in proportion to their shareholding thereby enhancing the overall return to the members.

4. TRANSFER TO RESERVE

Your directors do not propose to transfer any amount to the reserves out of current year profits.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

5. OPERATIONS AND STATE OF COMPANY'S AFFAIRS

There has been no change in the nature of business of the Company during the year under review. Revenue from operations, profitability and earnings per share show under noted position during the year under review as compared to previous year:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from operations	46,280.30	56,358.84
Export sales (C.I.F. value)	14,776.02	19,340.06
Operating profit	3,990.33	6,074.29
Other income	4,500.03	1,072.16
Profit before tax	8,490.36	7,146.45
Tax expense	1,550.98	1,700.33
Profit for the year	6,939.38	5,446.12
Earnings per share (EPS) of face value of ₹ 10/- (In ₹)	115.33	90.51

During the year under review, there was a reduction in the capacity utilisation to the extent of 5% caused by adverse market and trading conditions and shortage of orders / demand for the product.

Domestic markets were better than export markets but there was a fall in production in both these areas. Domestic markets were affected due to poor demand in the local market other than Government orders. Export markets were depressed both in terms of volume and prices due to impact of the economic crisis and Russia-Ukraine war in Europe, impacting our primary overseas market.

Raw Jute crop was available in surplus resulting to a 15% drop on an average in the prices of Raw Jute during the year. In a falling market with less demand, the benefit of Raw Jute price drop was passed on to the consumers. Sales in value showed a sharp drop of approximately 20% due to subdued market conditions along with the impact of lower Raw Jute prices as well as lower capacity utilisation. Due to these adverse conditions, the operating profit of the Company reflects a major drop during the year under review.

Other income has shown a sharp rise to unprecedented levels in view of the buoyancy in the Indian stock markets and better returns on debt investments as well.

6. MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry structure and developments

There was a Bumper Raw Jute crop pushing down prices to record low levels.

Domestic demand was down and exports also suffered. Bulk buying from Government agencies helped the Company to remain afloat. Value added segments suffered as a result of poor demand both domestically in India and in international markets.

New wage agreement was signed on 3rd January 2024, for a period of 3 years resulting in a major impact on our wage cost.

b) Opportunities and threats

Opportunities

- Government of India is supporting the Jute Industry in implementation of the Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987 and the Sugar Sector has started buying limited quantities in financial year 2023-2024. If this trend continues, an increased demand can be expected from this Sector.
- Reduction of Raw Jute prices could make Jute products competitive and help retain or gain new markets if prices continue at this level.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

Threats

- Shortage of Raw Jute crop in years to come due to global warming and lower rainfall than required for farming.
- Existing markets are getting eroded by alternatives.
- Shortage of workers for the Jute Industry is a concern.
- European economy could get weaker affecting potential markets.

c) Segment-wise or product-wise performance

The Company is engaged in a single business segment i.e. manufacturing and sale of jute goods. Hence, disclosure requirement as required by IND AS - 108 are not applicable in respect of business segment.

However, the geographical segments considered for disclosure are as under:

Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue *	31,179.42	14,776.02	45,955.44	36,658.87	19,340.06	55,998.93
Non-current assets other than financial instruments **	21,043.80	-	21,043.80	21,024.30	-	21,024.30

* Revenue outside India includes USA ₹ 4,404.80 (P.Y. ₹ 5,799.95).

** Non-current assets other than financial instruments include property, plant and equipment, capital work-in-progress, right of use assets, investment property, other intangible assets, intangible assets under development, non-current tax assets (net) and other non-current assets.

d) Outlook

The Company has performed well in spite of all the challenges that appeared during the year under review. We are not hopeful of sustaining this position based on current market conditions. In view of above, outlook for current year is hazy.

e) Risks and concerns

The major areas of risk and concern for the Jute Industry are:

- Long term interest of the farmers in jute cultivation is at risk due to the hard manual work involved which the younger generation are not keen to get involved in.
- New generation workers and supervisors are looking for more modern sectors than Jute. This is creating a vacuum for skilled Jute mill workers.
- Lack of modernisation of the Jute Industry and inadequate new technologies for the Jute Sector.
- In the unorganised sector, small units have been setting up in the last 2-3 years. They are operating with lower wages and costs. Further, increase is expected in this sector which may lead to unequal competition.

f) Internal control systems and their adequacy

The Board of Directors have designed and implemented various policies and procedures to strengthen the internal control system to ensure orderly and efficient recording and generation of reliable financial and operational information, safeguarding of assets from unauthorised use or losses, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, timely preparation of reliable financial information and ensuring compliance with corporate policies and applicable laws.

The Company maintains robust internal control systems in accordance with the size and complexity of its operations. The audit committee evaluates the internal control system periodically. During the year under review, no fraud was detected by the auditors. Internal audit findings and recommendations were presented to the Audit Committee and necessary remedial measures were implemented promptly.

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2024, based on the essential components of internal controls over financial reporting criteria established by the Company.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

g) Discussion on financial performance with respect to operational performance

The following are the significant areas of financial performance:

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	% Increase/ (Decrease)
Revenue from operations	46,280.30	56,358.84	(17.88)%
C.I.F. value of export sales	14,776.02	19,340.06	(23.60)%
Finance cost	36.76	34.04	7.99%
Inventories	10,664.13	10,032.18	6.30%
Purchase of property, plant and equipment, other intangible assets and investment property (including changes in capital work-in-progress, capital advances/creditors)	914.79	2,412.05	(62.07)%

The reason for decline in revenue from operations and value of export sales are twin effect of lower capacity utilisation and slash in sale prices in a retreating market. The slump in demand was witnessed in both domestic and international markets during the year under review. Orders were impacted in the backdrop of such an adverse market condition observed during the year under review.

Capex was higher in previous year due to setting up of a new weaving unit.

Other financial and operational parameters remained stable during the year under review.

h) Material developments in human resource/industrial relations front, including number of people employed

Industrial relations remained cordial during the year under review. There is shortage of new entrants in the Jute Industry. A fresh Tripartite Agreement was executed during the year on 3rd January, 2024 which inter alia increased the House Rent Allowance of workers from 5% to 7.5% and increased the entry level wages for new incumbents from ₹ 370/- per day to ₹ 485/- per day. The impact of the new wages was implemented from 3rd February, 2024. The Company continues to impart in-house training to new entrants to bring about all-round improvement in their working knowledge and skills. The Company also continues its various staff welfare schemes. During the year ended 31st March, 2024, the Company had 4,098 employees on rolls.

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

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	% Change
Net Profit Margin (%)	14.99%	9.66%	55.18%
Interest Coverage Ratio	556.89	427.53	30.26%
Inventory Turnover Ratio	4.44	5.96	(25.50)%

Increase in other non-operating income improved the bottom line and EBITA, which is reflected in net profit margin and interest coverage ratio being higher compared to previous year. The decline in sales realisation in value terms and increase in average inventories have caused the dip in the Inventory Turnover Ratio. Please refer to Note 54 to the financial statements for the financial year ended 31st March, 2024 for more details on Financial Ratios.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

j) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Return on Net Worth	14.86%	12.50%

The increase in other non-operating income escalated the Return on Net Worth.

k) Cautionary statement

Certain statements made in this section of the report is based on the prevailing situation and future expectation are anticipated based on the prevailing market situation. Forward looking statements are stated under Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and/or the Companies Act, 2013. Actual results may differ from those expressed or implied in the statements depending on the circumstances.

7. SHARE CAPITAL

The Company has one class of issued share i.e. ordinary share of face value of ₹ 10/- each.

The issued, subscribed and fully paid up ordinary share capital of the Company as at 31st March, 2024 stood at ₹ 602.04 consisting of 60,16,875 fully paid up ordinary shares of ₹ 10/- each (including ₹ 0.35 being the amount originally paid up on 7,000 ordinary shares not fully paid-up and forfeited).

The shares of Cheviot Company Limited are listed on BSE Limited and National Stock Exchange of India Limited. The Company has paid the Annual Listing Fees for the financial year 2024-25 to the stock exchanges. The shares of the Company are tradeable in dematerialised form and can be held in electronic form with any depositories under ISIN: INE974B01016.

During the year under review, the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to employees of the Company under any scheme.

8. CORPORATE GOVERNANCE

In terms of Regulation 34(3) of the SEBI Listing Regulations, a separate report on corporate governance together with a certificate from M/s Rahul Srivastava & Co., a firm of practising company secretaries, confirming compliance thereof is given in **Annexure-I** forming part of this report.

9. ANNUAL RETURN

The Annual Return of the Company is available on the website of the Company (Click on web-link: <https://www.cheviotgroup.com/investors/>).

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of investments made by the Company have been disclosed in Note 9 and Note 14 to the financial statements for the financial year ended 31st March, 2024. The Company has not given any loan or guarantee during the year.

11. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Board of Directors have formulated a risk management policy for the Company, identifying therein the elements of risk and concern that may threaten the existence of the Company. The senior management monitors the risk elements, risk assessment and minimisation procedures on a quarterly basis and updates the Audit Committee and the Board from time to time. The elements of risk and concern are periodically evaluated by the Board of Directors in a systematic approach to identify any change in risk elements and mitigate or reduce the impact of risk elements. Discussion on risks and concerns have been made in this report under the head 'management discussion and analysis'.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

12. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, your Company has spent ₹ 143.01 on CSR which is more than 2% of the average net profits of three immediately preceding financial years computed as per Section 135 read with Section 198 of the Companies Act, 2013. CSR programs were oriented toward various activities to support education, healthcare, promote nationally recognised sport and for the benefit of armed force dependents.

The annual report on CSR activities, in terms of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in **Annexure-II** forming part of this report.

The composition of CSR Committee for the year ended 31st March, 2024 is given below:

Name of the directors	Designation	Category
Mrs. Malati Kanoria	Chairperson	Non-Executive Director
Mr. Padam Kumar Khaitan	Member	Independent Director
Mrs. Rashmi Prashad	Member	Independent Director

The corporate social responsibility committee has been re-constituted w.e.f. 1st April, 2024 as under:

Name of the directors	Designation	Category
Mrs. Malati Kanoria	Chairperson	Non-Executive Director
Mrs. Rashmi Prashad	Member	Independent Director
Mr. Sutirtha Bhattacharya	Member	Independent Director

The composition of CSR Committee, CSR Policy and CSR Projects approved by the Board of Directors are available on the website of the Company (Click on web-link: <https://www.cheviotgroup.com/investors/>).

13. ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated a Vigil Mechanism / Whistle Blower Policy in terms of Section 177 of the Companies Act, 2013 read with Rules thereunder and Regulation 22 of the SEBI Listing Regulations for the employees and directors to report their grievance(s) / concern(s) about instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct to the Vigilance Officer or the Chairman of the audit committee. During the year under review, no complaint was reported to the audit committee. The whistle blower policy is available on the Company's website at <https://www.cheviotgroup.com/investors/>.

14. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS

In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the nomination and remuneration committee had followed the laid down criteria for identification of persons who are eligible to hold the office of director, key managerial personnel and senior management of the Company including determination of qualifications, positive attributes and independence of the person and their remuneration and other matters provided under Section 178 of the Companies Act, 2013. The nomination and remuneration committee has affirmed that the remuneration paid to directors, key managerial personnel and senior management are as per the remuneration policy of the Company.

The remuneration policy and criteria for determining qualifications, positive attributes and independence of a director are available on the website of the Company (Click on web-link: <https://www.cheviotgroup.com/investors/>).

15. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report on the environmental, social and governance disclosures in terms of Regulation 34(2)(f) of the SEBI Listing Regulations, was not applicable to the Company for the year under review, based on market capitalisation calculated as on the 31st day of March of the preceding financial year.

BOARD'S REPORT (Contd..)

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

No company has become or ceased to be the Company's subsidiary, joint venture or associate company during the year. The Company does not have any subsidiary, joint venture or associate company as on 31st March, 2024.

17. ANNUAL PERFORMANCE EVALUATION

During the year under review, the Board of Directors made internal evaluation of performance of its own, its committees and individual directors based on criteria laid down by the nomination and remuneration committee and expressed their satisfaction with the evaluation process and the performance of the Board as a whole, its committees, and individual directors including Independent Directors, was found to be satisfactory. The nomination and remuneration committee had carried out annual performance evaluation of individual directors and the independent directors at their separate meeting held on 4th March, 2024 had evaluated the performance of the chairman and managing director, other non-independent directors and the Board as a whole.

The evaluation of the Board of Directors was based on criteria such as appropriateness of Board composition and structure, decisions passed by the Board of Directors, awareness on Industry operations, compliance with applicable laws, succession planning, strategic planning, implementation of guidelines or strategies decided by the Board of Directors etc.

The evaluation of the Committees was based on criteria such as composition, functioning, competencies of the members, frequency of meetings, procedures, monitoring, advisory role, timely reporting to Board of Directors, etc.

The evaluation of directors was based on criteria such as preparedness for board meetings, attendance, judgements, contribution to risk management, adherence to Company's code of conduct and corporate governance, pro-activeness in highlighting areas of concern, sharing of knowledge and business information, disclosure of interest and related parties in timely manner etc.

18. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met 4 (four) times during the year under review. More details are available in the report on corporate governance.

19. COMPOSITION OF AUDIT COMMITTEE

The Board of Directors have constituted the audit committee with three directors as members. All members of audit committee are financially literate and Chairman of the audit committee, is a qualified Chartered Accountant having accounting and financial management expertise. Two-third of the members of audit committee are independent directors.

The composition of the audit committee for the year ended 31st March, 2024 was as follows:

Name of the directors	Designation	Category
Mr. Navin Nayar	Chairman	Independent Director
Mr. Sushil Kumar Dhandhanian	Member	Independent Director
Mr. Utkarsh Kanoria	Member	Wholetime Director

The audit committee has been re-constituted w.e.f. 1st April, 2024 as under:

Name of the directors	Designation	Category
Mr. Siddharth Jhahharia	Chairman	Independent Director
Mr. Deo Kishan Mohta	Member	Independent Director
Mr. Utkarsh Kanoria	Member	Wholetime Director

More details are given in the report on corporate governance. The Board of Directors have accepted all the recommendations of the audit committee during the year under review.

BOARD'S REPORT (Contd..)

20. PARTICULARS OF REMUNERATION

Information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure-III** forming part of this report.

The details prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, with regard to the provisions of the second proviso to Section 136(1) of the Companies Act, 2013 and second proviso to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Annual Report excluding the said information is being sent to the members of the Company. The said information is available for inspection in electronic mode and any member interested in obtaining such information may write to the company secretary and the same will be furnished on request.

21. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of sub-section 3(c) read with sub-section 5 of Section 134 of the Companies Act, 2013, the directors hereby state to the best of their knowledge and belief that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

22. MATERIAL CHANGES AND COMMITMENTS, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There has been no material change and/or commitment affecting the financial position of the Company between the end of the financial year and date of this report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo, as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are provided in **Annexure-IV** forming part of this report.

24. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

The Board of Directors had laid down internal financial controls for preparation of reliable financial statement. The measures taken to ensure the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information were found to be adequate and operating effectively. The audit committee and the auditors periodically improves the internal financial controls system. The financial records maintained in electronic mode were found to have a proper system for storage, retrieval, display or printout of the electronic records and remain accessible in India at all times.

BOARD'S REPORT (Contd..)

25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors have formulated a policy on materiality of related party transactions and on dealing with related party transactions which has been disclosed on the website of the Company. All transactions entered into with related parties as defined under the Companies Act, 2013 read with Regulation 23 of the SEBI Listing Regulations, during the year, were in the ordinary course of business and at arm's-length price.

There was no material related party transaction or material modification(s) in related party transactions entered into by the Company with its promoters, directors, key managerial personnel or other related parties which may have potential conflict with the interest of the Company at large or which warrants the approval of the members. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company for the financial year ended 31st March, 2024 and hence does not form part of this report.

In compliance with IND AS-24, details of all related party transactions entered into by the Company are disclosed in Note 51 to the financial statements for the financial year ended 31st March, 2024. All related party transactions were placed before the audit committee and the Board of Directors for prior approval and reviewed by the audit committee on a quarterly basis.

26. DIRECTORS

The following changes took place in the Board of Directors of the Company, duly approved by the members:

- (a) Mr. Navin Nayar (DIN: 00136057), Mr. Padam Kumar Khaitan (DIN: 00019700) and Mr. Sushil Kumar Dhandhanian (DIN: 00181159), independent directors of the Company, vacated their office on completion of second term of office as Independent Director of the Company on 31st March, 2024.
- (b) The vacancies caused in the office of independent director, were filled by the appointment of Mr. Sutirtha Bhattacharya (DIN: 00423572), aged 66 years, Mr. Deo Kishan Mohta (DIN: 00060170), aged 71 years and Mr. Siddharth Jhaharia (DIN: 01385496), aged 50 years, as independent directors of the Company with effect from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
- (c) Mrs. Rashmi Prashad (DIN: 00699317), aged 63 years, completed her first term of office as independent director of the Company on 31st March, 2024. Based on her performance evaluation report and fulfilment of other eligibility criteria, she was re-appointed as independent director for a second term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
- (d) Mr. Abhishek Murarka (DIN 00118310), aged 47 years, was appointed as a wholetime director w.e.f. 25th May, 2023.

All the independent directors have declared that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) and Regulation 25 of the SEBI Listing Regulations. In the opinion of the Board of Directors, there has been no change in the circumstances which may affect their status as independent directors of the Company and the Board of Directors are satisfied of the integrity, expertise and experience of all the independent directors on the Board of Directors. All the independent directors have registered themselves on Independent Directors Databank.

Mrs. Malati Kanoria (DIN 00253241), aged 67 years, shall retire by rotation at the ensuing annual general meeting and, being eligible, offers herself for re-appointment. She was appointed as a non-independent, non-executive director liable to retire by rotation. She belongs to the promoter group. She is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and have given her consent to act as director, if re-appointed. The nomination and remuneration committee have recommended her re-appointment for which appropriate resolution has been included at Item No 3 of the Notice convening the 126th annual general meeting. The Board recommends passing of the same. The information about the director seeking re-appointment as required under the Companies Act, 2013, Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings have been given in the notice convening the 126th annual general meeting.

27. KEY MANAGERIAL PERSONNEL

During the year under review, all the Key Managerial Personnels continue to hold their offices.

BOARD'S REPORT (Contd..)

(₹ in Lakhs)

28. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account shall be transferred by the Company to the IEPF Authority (IEPF) established by the Government of India. Further, the shares on which dividend has not been paid or claimed by the members for seven consecutive years or more shall be transferred to the demat account of the IEPF.

Accordingly, the Company has transferred ₹ 13.18 lying in the unpaid interim dividend account for the financial year 2015-16 to the bank account of IEPF on 24th April, 2023 and 2,311 ordinary shares on which dividend have not been paid or claimed by the members for seven consecutive years or more were transferred to the IEPF by 15th May, 2023.

Further, ₹ 1.32 lying in the unpaid dividend account for the financial year 2016-17 along with 20,307 ordinary shares on which dividend have not been paid or claimed by the members for seven consecutive years or more will be transferred to the IEPF after completion of seven years in October, 2024.

The DPID/CLID/folio-wise details of unpaid dividend and shares transferred / to be transferred to the IEPF Authority are available on the website of the Company (Click on web-link: <https://www.cheviotgroup.com/investors/>).

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant and/or material order was passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future. Details of contingent liabilities and commitments (to the extent not provided for) are disclosed in Note 43 to the financial statements for the financial year ended 31st March, 2024.

30. PUBLIC DEPOSITS

Your Company has not accepted any deposit from the public within the meaning of Section 73 of the Companies Act, 2013 read with Rules framed thereunder. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet. There is no deposit held by the Company which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

31. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee as required to be formed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "SHWW Act") and Rules made thereunder. The Company has adopted a policy in line with the provisions of the SHWW Act and the Rules made thereunder. During the year under review, no complaint of sexual harassment has been received by the Internal Complaint Committee. More details are available in the report on corporate governance.

32. INSOLVENCY AND BANKRUPTCY CODE, 2016

No application was made or proceeding was initiated under the Insolvency and Bankruptcy Code, 2016 during the year under review.

33. VARIATION IN VALUATION

During the year under review, there was no instance of one-time settlement with any bank or financial institution necessitating disclosure or reporting in respect of difference in valuation done by the Company.

34. CREDIT RATING

Crisil Ratings Limited has assigned long-term rating of A+/stable and short-term rating of A1+ to the Company for the working capital and term loan facilities availed by the Company. There has been no revision in the credit rating during the year under review.

35. STATUTORY AUDITORS

M/s Singhi & Co., Chartered Accountants (Firm Registration No. 302049E), was re-appointed as statutory auditors of the Company for the second term of 5 (five) consecutive years at the 124th annual general meeting held on 12th August, 2022, to hold office till the conclusion of the 129th annual general meeting to be held in the calendar year 2027.

There has been no qualification, reservation or adverse remark in the Independent Auditors' Report for the financial year ended 31st March, 2024. The statutory auditors have not reported any incidence of fraud during the year under review in terms of Section 143(12) of the Companies Act, 2013 necessitating disclosure in the Board's Report.

BOARD'S REPORT (Contd..)

36. COST ACCOUNTS AND COST AUDIT

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company. The cost accountant has not reported any incidence of fraud during the year under review in terms of Section 143(12) of the Companies Act, 2013 necessitating disclosure in the Board's Report.

Pursuant to Section 148 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors, on the recommendation of the Audit Committee, have re-appointed M/s D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), as cost auditor for the financial year ending 31st March, 2025 to conduct the audit of the cost accounting records maintained by the Company. The resolution included at Item No. 4 of the notice convening the 126th annual general meeting seeks members' ratification to the remuneration payable to the cost auditor as approved by the Board of Directors. M/s D. Radhakrishnan & Co., have long experience in the field of cost audit and have been conducting the audit of the cost records of the Company for the past several years.

The Cost Audit Report of the Company for the financial year ended 31st March, 2023 was filed with the ROC in XBRL mode on 26th September, 2023.

37. SECRETARIAL AUDIT AND SECRETARIAL COMPLIANCE REPORT

The Board of Directors have appointed M/s MR & Associates, a firm of practicing company secretaries (CoP 2551) to carry out the secretarial audit under the provisions of Section 204 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 24A of the SEBI Listing Regulations. The report from the secretarial auditor in Form MR-3 for the financial year ended 31st March, 2024 does not contain any qualification, reservation or adverse remarks. The secretarial audit report is enclosed as **Annexure V** to this report. During the year under review, the secretarial auditor did not report any matter under Section 143(12) of the Companies Act, 2013 necessitating disclosure in the Board's Report. During the year under review, there was a delay in filing intimation to the stock exchanges on 30th January, 2024 under Regulation 30 of the SEBI Listing Regulations which occurred due to an omission in reading the timelines prescribed under SEBI circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023.

Further, the Annual Secretarial Compliance Report of the Company for the year ended 31st March, 2024 received from the secretarial auditor has been filed with the stock exchanges viz. BSE Limited and National Stock Exchange of India Limited on 14th May, 2024.

38. SECRETARIAL STANDARDS

The directors have devised proper systems to ensure compliance with the provisions of the applicable Secretarial Standards issued by The Institute of Company Secretaries of India during the year under review and such systems are adequate and operating effectively.

39. ACKNOWLEDGEMENTS

Your directors express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers and vendors during the year under review. Your directors also acknowledge the committed services rendered by the employees at all levels.

For and on behalf of the Board
Harsh Vardhan Kanoria
Chairman and Managing Director,
Chief Executive Officer
(DIN: 00060259)

Kolkata, 24th May, 2024

Annexures forming part of this Board's Report

Annexure Number	Particulars
I	Report on corporate governance
II	Annual Report on CSR activities
III	Particulars of Remuneration
IV	Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
V	Secretarial Audit Report in Form MR-3

ANNEXURE I TO THE BOARD'S REPORT

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) read with Schedule V Para C of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's philosophy on Code of Governance

Cheviot Company Limited (the "**Company**") recognises that sustainable growth can be achieved through commitment and ethical business conduct. Over the years, the Company has strengthened the principles of Corporate Governance through transparency, accountability and integrity with timely and adequate disclosure of information to its shareholders, customers, creditors and employees. The Company encourages a culture of inclusiveness, diversity of thought and ethical decision-making. The Company adheres to a high standard of product quality and fair dealing with customers.

2. Board of Directors

a) Composition and category of directors

The composition of Board of Directors of the Company has an optimum combination of executive and non-executive directors in conformity with Section 149 of the Companies Act, 2013 (hereinafter referred to as the "**Act**") and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "**SEBI Listing Regulations**").

The following changes took place in the Board of Directors of the Company, duly approved by the members:

- (a) Mr. Navin Nayar (DIN: 00136057), Mr. Padam Kumar Khaitan (DIN: 00019700) and Mr. Sushil Kumar Dhandhanian (DIN: 00181159), independent directors of the Company, had vacated their office on completion of second term of office as independent director of the Company on 31st March, 2024.
- (b) The vacancies caused in the office of independent director, were filled by the appointment of Mr. Sutirtha Bhattacharya (DIN: 00423572), aged 66 years, Mr. Deo Kishan Mohta (DIN: 00060170), aged 71 years and Mr. Siddharth Jhajarhia (DIN: 01385496), aged 50 years, as independent directors of the Company with effect from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
- (c) Mrs. Rashmi Prashad (DIN: 00699317), aged 63 years, completed her first term of office as independent director of the Company on 31st March, 2024. Based on her performance evaluation report and fulfilment of other eligibility criteria, she was re-appointed as independent director for a second term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
- (d) Mr. Abhishek Murarka (DIN 00118310), aged 47 years, was appointed as a wholetime director w.e.f. 25th May, 2023.

The Board of Directors of the Company is composed of 8 (eight) directors, including 3 (three) executive directors, 1 (one) non-executive non-independent director (woman) and 4 (four) independent non-executive directors, one of whom is a woman independent director. Among the directors, 2 (two) executive directors and 1 (one) non-executive non-independent director (woman) on the Board are also promoters of the Company.

ANNEXURE I TO THE BOARD'S REPORT

b) Details of attendance of each director at the Board Meetings and the last AGM along with number of other directorship(s) and other Board Committee Chairmanship(s) / Membership(s) held as on 31st March, 2024.

Name of the directors	Category [Refer abbreviations]	Attendance Particulars		No. of other directorship(s) and other Board committee memberships/chairmanships held		
		At Board Meeting(s)	At last AGM held on 11th August, 2023	Other Directorship(s)^	Committee Membership(s)*	Committee Chairmanship(s)*
Mr. Harsh Vardhan Kanoria	CMD, CEO [P]	4	Yes	5	2	2
Mr. Abhishek Murarka #	WTD	3	Yes	1	Nil	Nil
Mr. Utkarsh Kanoria	WTD [P]	3	Yes	2	Nil	Nil
Mr. Navin Nayar %	ID NED	4	Yes	12	5	4
Mr. Padam Kumar Khaitan %	ID NED	3	Yes	8	3	1
Mrs. Rashmi Prashad	ID NED [W]	2	Yes	2	Nil	Nil
Mr. Sushil Kumar Dhandhanian %	ID NED	4	Yes	18	Nil	Nil
Mrs. Malati Kanoria	NED [P] [W]	4	Yes	5	Nil	Nil
Mr. Deo Kishan Mohta \$	ID NED	NA	NA	Nil	Nil	Nil
Mr. Siddharth Jhajharia \$	ID NED	NA	NA	17	Nil	Nil
Mr. Sutirtha Bhattacharya \$	ID NED	NA	NA	Nil	Nil	Nil

^ Includes directorship in private limited companies. None of the directors hold directorship in more than seven listed companies.

* None of the directors of the Company was a member of more than ten Board-level committees, or a chairman of more than five such committees, across all public companies in which he/she was a director. For reckoning the limit of other committee membership(s)/chairmanship(s), the Company has considered audit committee and stakeholders' relationship committee in all public limited companies as per Regulation 26 of the SEBI Listing Regulations.

appointed as wholetime director w.e.f. 25th May, 2023.

% vacated their office on completion of second term of office as independent director on 31st March, 2024.

\$ appointed as independent director w.e.f. 1st April, 2024.

c) Names of other listed entities where the person is a director and the category of directorship

Sl. No.	Name of the directors	Names of other listed entities where the person is a director	Category of Directorship [Refer abbreviations]
1	Mr. Harsh Vardhan Kanoria	1. Jay Shree Tea and Industries Limited	ID NED
2	Mr. Navin Nayar	1. Amar Vanijya Limited 2. Bengal Tea and Fabrics Limited 3. Kanco Tea and Industries Limited 4. Kilburn Engineering Limited	ID NED ID NED ID NED NED
3	Mr. Padam Kumar Khaitan	1. Asian Hotels (East) Limited 2. Magadh Sugar and Energy Limited 3. Ramkrishna Forgings Limited	ID NED ID NED ID NED

The other directors of the Company does not hold directorship in any other listed company.

Abbreviations:

CMD	Chairman and Managing Director	CEO	Chief Executive Officer	WTD	Wholetime Director
ID NED	Independent, Non-Executive Director	[W]	Woman Director	[P]	Promoter

ANNEXURE I TO THE BOARD'S REPORT

d) Number of Board meetings held and dates on which held

4 (four) meetings of the Board of Directors were held during the year on 25th May, 2023, 10th August, 2023, 9th November, 2023 and 30th January, 2024. The maximum gap between two meetings was less than one hundred and twenty days. The quorum was present at every meeting. Facility to participate in Board Meetings through video conferencing / other audio-visual means was available.

e) Disclosure of relationships between directors inter-se

Mrs. Malati Kanoria is the spouse of Mr. Harsh Vardhan Kanoria. Mr. Utkarsh Kanoria is the son of Mr. Harsh Vardhan Kanoria and Mrs. Malati Kanoria. None of the other directors are, inter se, related to any other director on the Board.

f) Number of shares and convertible instruments held by non-executive directors

Mrs. Malati Kanoria, non-executive director, directly held 7,546 ordinary shares of the Company as at 31st March, 2024. She belongs to the promoter group of the Company. Mr. Deo Kishan Mohta, who was appointed as an independent director w.e.f. 1st April, 2024, held 182 ordinary shares of the Company as at 31st March, 2024. None of the other independent directors held any share of the Company including shareholding as a beneficial owner as at 31st March, 2024. The Company has not issued any convertible instruments.

g) Web link where details of familiarisation programmes imparted to independent directors is disclosed

The details of familiarisation programme imparted to independent directors are disclosed on the website of the Company (<https://www.cheviotgroup.com/investors/>).

h) A chart or a matrix setting out the skills/expertise/competence of the Board of Directors

The Company has a balanced and diverse Board. In accordance with the provisions of the SEBI Listing Regulations, the nomination and remuneration committee has formulated a Policy on Diversity of Board of Directors. The Board of Directors is formed with diversity of thought, experience, knowledge, perspective and gender ensuring effective governance, valuable insights and strategic decision-making to enhance the performance of the Company. The list of core skills/expertise/competence identified by the Board of Directors as required in the context of its business and sector for it to function effectively and those actually available with the Board are as under:

Sl. No.	Areas of core skills/expertise/competence	Available with the Board	Names of the directors who have such skills/expertise/competence
1	Leadership	Yes	All directors
2	Understanding of Jute Industry and its Operations	Yes	All directors
3	Sales and Marketing	Yes	Mr. Harsh Vardhan Kanoria; and Mr. Utkarsh Kanoria
4	Regulatory Compliances, Legal, Due Diligence	Yes	Mr. Harsh Vardhan Kanoria; Mr. Utkarsh Kanoria; and Mr. Padam Kumar Khaitan
5	Finance, Corporate Planning, Strategy Formulation and overall Management	Yes	All directors

i) Other provisions

It is hereby confirmed that in the opinion of the Board of Directors, the independent directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the independent directors has resigned before the expiry of their tenure of appointment. The Company has developed proper systems to enable the Board of Directors to periodically review compliance reports with respect to laws applicable to the Company and any corrective steps taken by the Company to rectify any instance of non-compliance. The Board of Directors have devised plans for orderly succession for appointments to the Board and to senior management level.

ANNEXURE I TO THE BOARD'S REPORT

3. Audit committee

a) Brief description of terms of reference

The powers, roles and terms of reference of the audit committee are in accordance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The terms of reference inter alia include:

- Management discussion and analysis of financial condition and results of operations.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Review and monitor the auditor's independence, performance and effectiveness of audit process.
- Recommend for appointment, remuneration and terms of appointment of auditors of the Company to the Board of Directors.
- Examining and reviewing, quarterly results and annual financial statements and the independent auditor's report thereon before submission to the Board of Directors.
- Evaluation of internal financial controls and risk management systems.
- Discussion with internal auditors on internal audit reports relating to internal control weaknesses and any significant findings and follow up thereon.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern relating to internal control weaknesses.
- Review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems.
- Review the functioning of whistle blower mechanism.
- Scrutiny of inter-corporate loans and investments.
- Approval of related party transactions or any subsequent modification of transactions with related parties.
- Review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and verify the effectiveness of internal controls followed by the Company.

b) Composition, name of members and chairperson

The composition of the audit committee for the year ended 31st March, 2024 with name of members and chairperson are as follows:

Name of the directors	Designation	Category
Mr. Navin Nayar	Chairman	Independent Director
Mr. Sushil Kumar Dhandhanania	Member	Independent Director
Mr. Utkarsh Kanoria	Member	Wholetime Director

All members of audit committee are financially literate and Mr. Navin Nayar, Chairman of the audit committee, is a qualified Chartered Accountant having accounting and financial management expertise.

The audit committee has been re-constituted w.e.f. 1st day of April, 2024 as under:

Name of the directors	Designation	Category
Mr. Siddharth Jhajharia	Chairman	Independent Director
Mr. Deo Kishan Mohta	Member	Independent Director
Mr. Utkarsh Kanoria	Member	Wholetime Director

All members of the re-constituted audit committee are financially literate and Mr. Siddharth Jhajharia, Chairman of the audit committee, is a qualified Chartered Accountant having accounting and financial management expertise.

ANNEXURE I TO THE BOARD'S REPORT

c) Meetings and attendance during the year

During the year, 4 (four) meetings of the Audit Committee were held on 25th May, 2023, 9th August, 2023, 9th November, 2023 and 29th January, 2024.

Name of the directors	Designation	Category	Number of meetings held	Number of meetings attended
Mr. Navin Nayar	Chairman	Independent Director	4	4
Mr. Sushil Kumar Dhandhanania	Member	Independent Director	4	4
Mr. Utkarsh Kanoria	Member	Wholetime Director	4	3

CFO, representatives of statutory auditors, internal auditors and cost auditors were invitees to the meetings of the audit committee. The Chairman of the audit committee was present at the previous AGM of the Company held on 11th August, 2023. Minutes of audit committee were placed before the Board for noting. The company secretary acts as the secretary to the audit committee. The maximum gap between any two audit committee meetings was less than one hundred and twenty days. The quorum was present at every meeting.

4. Nomination and remuneration committee

a) Brief description of terms of reference

The powers, role and terms of reference of the nomination and remuneration committee are in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. The terms of reference inter alia include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
- Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- Specify the manner for effective evaluation of performance of Board of Directors, its committees and individual directors to be carried out either by the Board of Directors or by the nomination and remuneration committee and review its implementation and compliances.
- Devise a policy on diversity of Board of Directors.
- Recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

b) Composition, name of members and chairperson

The composition of nomination and remuneration committee for the year ended 31st March, 2024 with name of members and chairperson are as follows:

Name of the directors	Designation	Category
Mr. Sushil Kumar Dhandhanania	Chairman	Independent Director
Mr. Navin Nayar	Member	Independent Director
Mrs. Rashmi Prashad	Member	Independent Director

The nomination and remuneration committee has been re-constituted w.e.f. 1st day of April, 2024 as under:

Name of the directors	Designation	Category
Mrs. Rashmi Prashad	Chairperson	Independent Director
Mr. Deo Kishan Mohta	Member	Independent Director
Mr. Siddharth Jhajharia	Member	Independent Director

ANNEXURE I TO THE BOARD'S REPORT

c) Meetings and attendance during the year

During the year, 2 (two) meetings of the nomination and remuneration committee were held on 25th May, 2023 and 20th January, 2024.

Name of the directors	Designation	Category	Number of meetings held	Number of meetings attended
Mr. Sushil Kumar Dhandhanian	Chairman	Independent Director	2	2
Mr. Navin Nayar	Member	Independent Director	2	2
Mrs. Rashmi Prashad	Member	Independent Director	2	1

The Chairman of the nomination and remuneration committee was present at the previous AGM of the Company held on 11th August, 2023.

d) Performance evaluation criteria for independent directors

The nomination and remuneration committee has laid down the evaluation criteria for determining the performance of the independent directors on the Board broadly covering preparedness for board meetings; attendance; application of independent judgement while taking decisions; adherence to Company's code of conduct and corporate governance; effective participation in committee meetings; adequate deliberation on areas of concern; sharing of knowledge and business information; disclosure of interest and related parties in timely manner and avoiding conflict of interest.

5. Stakeholders' Relationship Committee

a) Name of non-executive director heading the committee

Mr. Sushil Kumar Dhandhanian, independent non-executive director of the Company, was the Chairman of stakeholders' relationship committee during the year ended 31st March, 2024. The composition of stakeholders' relationship committee for the year ended 31st March, 2024 with names of members and chairperson are as follows:

Name of the directors	Designation	Category
Mr. Sushil Kumar Dhandhanian	Chairman	Independent Director
Mrs. Rashmi Prashad	Member	Independent Director
Mrs. Malati Kanoria	Member	Non-Executive Director

The stakeholders' relationship committee has been re-constituted w.e.f. 1st day of April, 2024 as under:

Name of the directors	Designation	Category
Mr. Deo Kishan Mohta	Chairman	Independent Director
Mrs. Rashmi Prashad	Member	Independent Director
Mrs. Malati Kanoria	Member	Non-Executive Director

b) Meetings and attendance during the year

During the year, 3 (three) meetings of the stakeholders' relationship committee was held on 25th May, 2023, 9th August, 2023 and 9th November, 2023.

Name of the directors	Designation	Category	Number of meetings held	Number of meetings attended
Mr. Sushil Kumar Dhandhanian	Chairman	Independent Director	3	3
Mrs. Rashmi Prashad	Member	Independent Director	3	2
Mrs. Malati Kanoria	Member	Non-Executive Director	3	3

c) Name and designation of the compliance officer

Mr. Aditya Banerjee, Company Secretary of the Company, is the compliance officer.

ANNEXURE I TO THE BOARD'S REPORT

d) Number of shareholders' complaints received during the financial year, number of complaints not solved to the satisfaction of shareholders, number of pending complaints.

Details of shareholder complaints received and redressed during the year under review are as follows:

No. of shareholder complaints received during the financial year	No. of complaints not solved to the satisfaction of the shareholders	No. of complaints redressed during the year	No. of pending complaints as at 31st March, 2024
3	Nil	3	Nil

Prompt actions are taken for redressal/disposal of investors' complaints. Queries and service requests received from investors are usually responded within 15 (fifteen) days of the receipt of the letters / emails.

6. Risk Management Committee

The Company has laid down procedures to inform members of the Board of Directors about the risk assessment and minimisation process. The Board of Directors have framed, implemented and continuously monitored the risk management plan for the Company. The Board of Directors have framed and implemented a robust risk management framework for early identification and assessment of various elements of risks associated with Jute Industry operations to help minimize or mitigate such risks. The provisions for the constitution of a separate Risk Management Committee was not applicable for the year under review.

7. Senior Management

Particulars of senior management including the changes therein since the close of the previous financial year

The Board of Directors have recognised the following persons in senior management as part of core management team:

Name	Designation	Roles and Responsibilities
Mr. Debdas Mazumdar	President (Works)	Plant Head.
Mr. Madhup Kumar Patni	Chief Financial Officer	In-charge of Accounts, Finance and Taxation.
Ms. Satarupa Banerjee	Chief General Manager	Functional Head for Production and Operations.
Mr. Aditya Banerjee	Company Secretary and Compliance Officer	Handling Corporate Affairs, Legal and Secretarial Compliances.
Mr. Santanu Pradhan	General Manager	Functional Head for Production and Operations.

There has been no change in the senior management since the close of the previous financial year.

8. Remuneration of directors

(a) Details of remuneration of directors

(i) Details of remuneration of executive directors for the financial year ended 31st March, 2024:

Name of the directors	Salary	Commission	Contribution to provident fund	Estimated value of other allowances and perquisites	Tenure of appointment
Mr. Harsh Vardhan Kanoria (Chairman and Managing Director)	24.00	203.00	2.40	9.99	5 years from 1st August, 2020
Mr. Abhishek Murarka (Wholetime Director)	19.44	13.00	1.94	10.37	5 years from 25th May, 2023
Mr. Utkarsh Kanoria (Wholetime Director)	24.00	203.00	Nil	12.63	5 years from 24th May, 2022

ANNEXURE I TO THE BOARD'S REPORT

(₹ in Lakhs)

(ii) Details of remuneration of non-executive directors of the Company for the financial year ended 31st March, 2024:

Name of the directors	Sitting Fees	Commission
Mr. Navin Nayar (Independent, Non-Executive Director)	0.40	5.00
Mr. Padam Kumar Khaitan * (Independent, Non-Executive Director)	0.30	5.00
Mrs. Rashmi Prashad (Independent, Non-Executive Director)	0.20	5.00
Mr. Sushil Kumar Dhandhanian (Independent, Non-Executive Director)	0.40	5.00
Mrs. Malati Kanoria (Non-Executive Director, Promoter)	0.40	5.00

* Paid to M/s Khaitan & Co. LLP, in which Mr. Padam Kumar Khaitan is a partner.

The Company has not issued any stock options to its directors.

The appointment of the executive directors is governed by the Articles of Association of the Company. The principal terms and conditions including the remuneration governing the appointment/re-appointment of the executive directors were recommended by the nomination and remuneration committee and approved by the Board of Directors and the members of the Company.

As per the terms of appointment, the Company and the executive directors have the right to terminate the appointment by giving three months' prior notice in writing to the other. There is no provision for payment of severance fees under the resolutions governing the appointment of executive directors.

During the year under review, the Company had paid ₹ 3.00 for legal and professional services to Khaitan & Co. LLP, a solicitor firm, in which Mr. Padam Kumar Khaitan is a partner, which does not exceed ten per cent or more of the gross turnover of such firm and is not material to affect the independence of judgement of Mr. Padam Kumar Khaitan, who was an independent director of the Company during the year under review.

The Company has not entered into any other pecuniary relationship or transaction with the non-executive directors.

b) Criteria of making payment to non-executive directors

The role of the non-executive directors requires devotion of sufficient time to exercise independent judgement in the best interest of Company with ability to contribute and to monitor corporate governance practice and adherence to the Company's code of conduct. Appointments and terms of remuneration of non-executive directors are considered by the Board of Directors of the Company based on the recommendation of the nomination and remuneration committee within the limits specified in the resolution passed by the members. Remuneration to the non-executive directors is kept at levels such that they retain and motivate directors to run the Company successfully.

Non-executive directors including independent directors shall be entitled to receive remuneration by way of sitting fee for attending meetings of the Board or Committee thereof or any other meeting as may be decided by the Board within the limits prescribed under Section 197 of the Act and Rules made thereunder for payment of sitting fees. Subject to approval of the members of the Company, non-executive directors including independent directors shall also be paid commission up to an aggregate amount not exceeding 1% (one percent) of the net profits of the Company for the year.

The amount of commission shall be determined by the Board of Directors based on their attendance, time and effort devoted and any other contribution made by them. In addition to the sitting fees and commission, the non-executive directors, including independent directors of the Company shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred for attending Board and Committee meetings or otherwise incurred in the execution of their duties as directors.

In the event that the Company, in any financial year during the tenure of appointment of non-executive directors, including independent directors of the Company, has no profits or its profits are inadequate, the remuneration payable to non-executive directors, including independent directors of the Company in such year(s) shall not exceed the ceiling laid down in Section II of Part II of Schedule V to the Act or any modification(s) or re-enactment thereof, subject to such approvals as may be required.

ANNEXURE I TO THE BOARD'S REPORT

9. Corporate Social Responsibility Committee

a) Composition, name of members and chairperson

The composition of corporate social responsibility committee for the year ended 31st March, 2024 with name of members and chairperson are as follows:

Name of the directors	Designation	Category
Mrs. Malati Kanoria	Chairperson	Non-Executive Director
Mr. Padam Kumar Khaitan	Member	Independent Director
Mrs. Rashmi Prashad	Member	Independent Director

The corporate social responsibility committee has been re-constituted w.e.f. 1st day of April, 2024 as under:

Name of the directors	Designation	Category
Mrs. Malati Kanoria	Chairperson	Non-Executive Director
Mrs. Rashmi Prashad	Member	Independent Director
Mr. Sutirtha Bhattacharya	Member	Independent Director

b) Meetings and attendance

During the year, 2 (two) meetings of the CSR committee were held on 22nd May, 2023 and 26th February, 2024:

Name of the directors	Designation	Category	Number of meetings held	Number of meetings attended
Mrs. Malati Kanoria	Chairperson	Non-Executive Director	2	2
Mr. Padam Kumar Khaitan	Member	Independent Director	2	2
Mrs. Rashmi Prashad	Member	Independent Director	2	1

10. Separate meeting of Independent Directors

During the year, the independent directors held a separate meeting on Monday, 4th March, 2024 and carried out inter alia the performance evaluation of the Chairman and Managing Director of the Company, other non-independent directors and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties, as per the requirement of Schedule IV to the Act read with Regulation 25(3) of the SEBI Listing Regulations. All the independent directors attended the separate meeting of independent directors held during the year on Monday, 4th March, 2024.

11. General Body Meetings

a) Location and time where last three AGMs were held and special resolution passed in the previous three AGMs:

Date, Time and Location of last three AGM	Special Resolutions passed at the AGM
11th August, 2023 at 11:00 a.m. through video conferencing or other audio-visual means conducted from the Registered Office (VC/OAVM)	Nil
12th August, 2022 at 11:00 a.m. through VC/OAVM	Re-appointment of Mr. Utkarsh Kanoria as Wholetime Director for further period of five years w.e.f. 24th May, 2022.
23rd July, 2021 at 11:00 a.m. through VC/OAVM	Nil

ANNEXURE I TO THE BOARD'S REPORT

b) Postal Ballot

During the year, the following Special Resolutions were passed by the Company through Postal Ballot by way of remote e-voting:

Sl. No.	Special Resolution	Voting in favour of the resolution (%)	Voting against the resolution (%)
1	Appointment of Mr. Sutirtha Bhattacharya (DIN: 00423572) as an Independent Director of the Company to hold office for a term of 5 (five consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.	99.9889	0.0111
2	Appointment of Mr. Deo Kishan Mohta (DIN: 00060170) as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.	99.9889	0.0111
3	Appointment of Mr. Siddharth Jhaharia (DIN: 01385496) as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.	99.9889	0.0111
4	Re-appointment of Mrs. Rashmi Prashad (DIN: 00699317) as an Independent Director of the Company to hold office for second term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.	99.9888	0.0112

c) Procedure for postal ballot

Pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 44 of the SEBI Listing Regulations, Secretarial Standard on General Meetings and in accordance with the General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020, read with relevant circulars, including the latest General Circular No. 09/2023 dated 25th September, 2023 issued by the Ministry of Corporate Affairs and any other applicable law, rules, regulations, circulars and notifications, the resolutions set out in the Postal Ballot Notice dated 30th January, 2024 were transacted by means of postal ballot, only through remote e-voting process by the members of the Company.

The facility for remote e-voting was provided by National Securities Depository Limited ("NSDL"). The remote e-voting period commenced on Wednesday, 14th February, 2024 at 9:00 A.M. (IST) and ended on Thursday, 14th March, 2024 at 5:00 P.M. (IST). During the remote e-voting period, members holding shares as on the cut-off date i.e. Friday, 9th February, 2024 recorded their assent (FOR) or dissent (AGAINST) on the resolutions only through remote e-voting facility provided by NSDL.

Mr. Mohan Ram Goenka, a practising company secretary (Membership No. F4515, CP No. 2551), was appointed as the Scrutinizer to conduct the Postal Ballot through remote e-voting process in a fair and transparent manner. The results of the voting through Postal Ballot along with the Scrutinizer's Report dated 15th March, 2024 was intimated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. Additionally, the results were uploaded on the website(s) of the Company and NSDL.

No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Report.

12. Means of Communication

- The quarterly financial results of the Company are uploaded on the website(s) of BSE Limited and National Stock Exchange of India Limited, where the shares are listed and on the website of the Company and simultaneously published in newspapers within the stipulated time given under SEBI Listing Regulations.
- Results are normally published in Business Standard (all India editions) (in English) and in Sukhabar (in Bengali). Members can also access the newspaper online in digital version.
- The Company has its own functional website "<https://www.cheviotgroup.com>" where information about the Company, quarterly financial results, audited financial statements, annual reports, distribution of shareholding at the end of each quarter, official news releases and such other information required to be disclosed under Regulations 30, 46 and other applicable provisions of the SEBI Listing Regulations are regularly updated.
- The Company has not made any presentation to institutional investors or to the analysts during the year under review.
- Management discussion and analysis forms part of the Board's Report.

ANNEXURE I TO THE BOARD'S REPORT

13. General Shareholder Information

i) AGM Date, Time and Venue	Friday, 9th August, 2024 at 11.00 a.m. through video conferencing or other audio-visual means to be conducted from the Registered Office as per details given in the notice calling the ensuing AGM of the Company.
ii) Financial year	Financial Year: 1st April to 31st March. Quarterly, Half-Yearly and Annual Financial Results of the Company shall be submitted to the Stock Exchange(s) within the time prescribed under Regulation 33 of the SEBI Listing Regulations.
iii) Dividend payment date	Final dividend for the year ended 31st March, 2024, as recommended by the Board of Directors, will be paid on and from Wednesday, 14th August, 2024 , subject to approval of the members at the ensuing AGM of the Company. Final dividend for the year ended 31st March, 2023 was paid on and from Monday, 14th August, 2023.
iv) The name and address of each stock exchange(s) at which the Company's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Annual listing fees for the year 2024-2025 paid on 20th April, 2024. 2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 Annual listing fees for the year 2024-2025 paid on 9th April, 2024.
v) Stock code	BSE Scrip Code: 526817 NSE Symbol: Cheviot ISIN: INE974B01016
vi) Market Price Data: High, Low during each month in last financial year	Information has been given at the end of clause 13.
vii) Stock performance of the Company in comparison to BSE Sensex and Nifty-50. (April, 2023 to March, 2024)	Information has been given at the end of clause 13.
viii) Suspension of securities	The listed shares of the Company were not suspended from trading during the year.
ix) Registrar and share transfer agent	Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road, 5th Floor, Kolkata – 700 001 Ph: (033) 2248-2248/2243-5029 E-mail ID: mdpldc@yahoo.com
x) Share transfer system	Information has been given at the end of clause 13.
xi) Distribution of shareholding as at 31st March, 2024	Information has been given at the end of clause 13.
xii) Dematerialisation of shares and liquidity	As on 31st March, 2024, 59,41,851 ordinary shares representing 98.7531% of the Company's total paid-up ordinary share capital was held in dematerialised form, out of which, 98,718 ordinary shares (1.6407%) are lying with IEPF Authority and 19,194 ordinary shares (0.3190%) are lying in unclaimed suspense account. The shares are listed and traded on the stock exchanges viz. BSE Limited and National Stock Exchange of India Limited.
xiii) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity	Not issued
xiv) Commodity price risk or foreign exchange risk and hedging activities	The Company has proper system to monitor the foreign exchange exposures on regular basis and appropriate steps are taken by the management to limit the risks of adverse exchange rate movement by entering into forward contract for hedging foreign exchange exposure against exports and imports. The details of hedged and unhedged foreign currency exposure are reported at Note 53.3 to the financial statements for the year ended 31st March, 2024.

ANNEXURE I TO THE BOARD'S REPORT

xv) Plant locations	The Company's plants are located at following places: i)19, Mehta Road, Badekalinagar, Budge Budge, 24-Parganas (South) - 700 137 (West Bengal); ii)Sector II, Falta Special Economic Zone, Falta, 24-Parganas (South) - 743 504 (West Bengal).												
xvi) Address for correspondence	Cheviot Company Limited 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata - 700 016 Phone: +91 82320 87911/12/13 Email ID: cheviot@chevjute.com Investor service / E-voting e-mail ID: investorservices@chevjute.com Website: https://www.cheviotgroup.com												
xvii) List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year.	<p>The Company has obtained Bank Loan Rating from Crisil Ratings Limited as under:</p> <table border="1" data-bbox="691 762 1474 928"> <thead> <tr> <th>Financial Year</th> <th>2023-24</th> <th>2024-25</th> </tr> </thead> <tbody> <tr> <td>Total Bank Loan Facilities Rated</td> <td>₹ 34.00 Crores</td> <td>₹ 34.00 Crores</td> </tr> <tr> <td>Long-Term Rating</td> <td>Crisil A+/Stable</td> <td>Crisil A+/Stable</td> </tr> <tr> <td>Short-Term Rating</td> <td>Crisil A1+</td> <td>Crisil A1+</td> </tr> </tbody> </table> <p>There has been no revision in the rating during the financial year 2023-2024. The rating stands re-affirmed by Crisil Ratings Limited till 31st March, 2025.</p>	Financial Year	2023-24	2024-25	Total Bank Loan Facilities Rated	₹ 34.00 Crores	₹ 34.00 Crores	Long-Term Rating	Crisil A+/Stable	Crisil A+/Stable	Short-Term Rating	Crisil A1+	Crisil A1+
Financial Year	2023-24	2024-25											
Total Bank Loan Facilities Rated	₹ 34.00 Crores	₹ 34.00 Crores											
Long-Term Rating	Crisil A+/Stable	Crisil A+/Stable											
Short-Term Rating	Crisil A1+	Crisil A1+											

Information in respect of clause 13 (vi)

Market Price data: High, Low during each month (April, 2023 to March, 2024) are given in the table below:

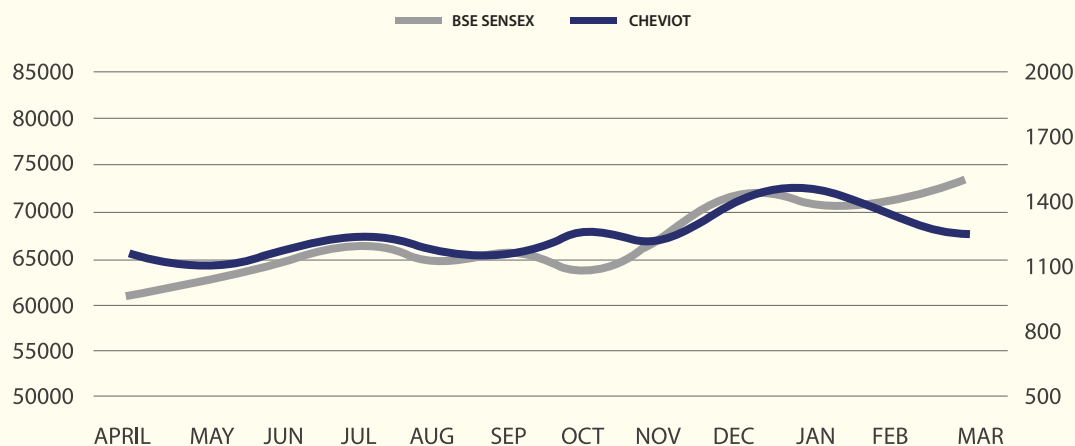
Month	BSE Limited		National Stock Exchange of India Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2023	1,159.40	990.00	1,163.90	979.00
May, 2023	1,336.70	1,092.95	1,189.00	1,095.20
June, 2023	1,318.00	1,100.95	1,321.95	1,112.20
July, 2023	1,268.50	1,178.90	1,264.45	1,179.00
August, 2023	1,350.00	1,190.00	1,351.50	1,186.50
September, 2023	1,237.00	1,134.80	1,238.95	1,139.55
October, 2023	1,343.00	1,133.80	1,350.50	1,130.00
November, 2023	1,279.00	1,201.65	1,281.00	1,206.75
December, 2023	1,626.45	1,170.05	1,626.70	1,206.25
January, 2024	1,562.50	1,392.90	1,552.75	1,402.35
February, 2024	1,504.00	1,335.00	1,500.00	1,327.55
March, 2024	1,468.95	1,236.25	1,431.95	1,240.00

ANNEXURE I TO THE BOARD'S REPORT

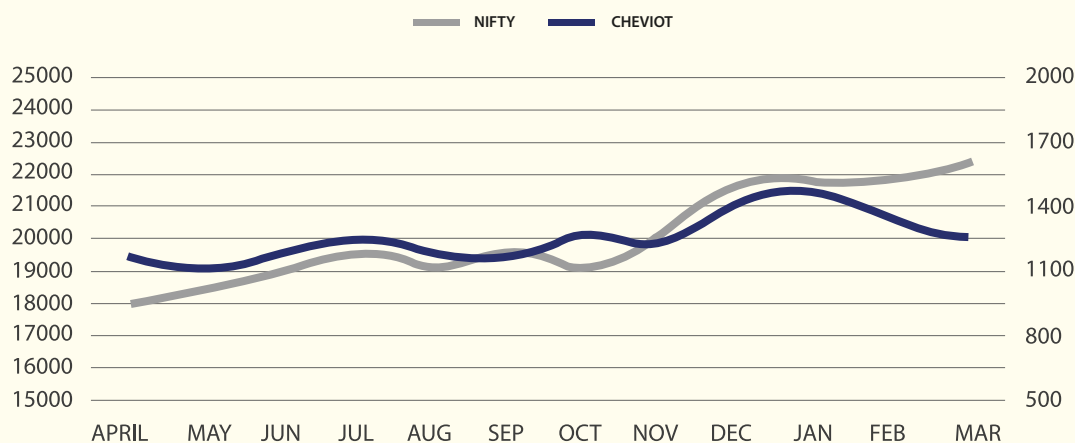
Information in respect of clause 13 (vii)

Stock performance of the Company in comparison to BSE Sensex and NIFTY 50 (April, 2023 to March, 2024)

Stock performance of the Company in comparison to BSE Sensex



Stock performance of the Company in comparison to NIFTY 50



Information in respect of clause 13 (x)

Share Transfer System

The transfer/transmission of shares are approved in accordance with the powers delegated by the Board of Directors to the Chairman and Managing Director, Wholetime Director and Company Secretary.

Pursuant to Regulation 40 of the SEBI Listing Regulations, requests for effecting transfer, transmission or transposition of securities shall not be processed unless the securities are held in the dematerialised form with a depository. The Company/Registrar follows the operational guidelines issued by SEBI for issuing a 'Letter of Confirmation' to enable the investor to dematerialise their shares. Share transfer requests received by the Company/Registrar are registered within 15 days from the date of receipt, provided the documents are complete in all respects. The shares lodged for dematerialisation are processed within the stipulated time from the date of their lodgement, if instruments are found valid and complete in all respects.

ANNEXURE I TO THE BOARD'S REPORT

Pursuant to Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, M/s MR & Associates, a firm of Practising Company Secretaries carried out the audit to reconcile the total admitted capital in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited and total number of shares in physical form and to confirm that the total listed and paid-up capital are in agreement with the aggregate number of shares. This audit was carried out in every quarter and the report was submitted to the BSE Limited and National Stock Exchange of India Limited, where shares of the Company are listed.

Information in respect of clause 13 (xi)

a) Distribution of Shareholding as on 31st March, 2024:

Number of Ordinary shares held	Number of Ordinary Shares	Percentage of Shareholding	Number of Shareholders / folios	Percentage of Shareholders / folios
Up to 500	7,52,624	12.5085	14,546	97.1807
501 to 1000	1,65,976	2.7585	228	1.5232
1001 to 2000	1,63,869	2.7235	117	0.7817
2001 to 3000	82,073	1.3640	33	0.2205
3001 to 4000	34,805	0.5785	10	0.0668
4001 to 5000	57,624	0.9577	13	0.0868
5001 to 10000	78,488	1.3045	12	0.0802
10001 and above	46,81,416	77.8048	9	0.0601
Total	60,16,875	100.0000	14,968	100.0000
Physical Mode	75,024	1.2469	387	2.5855
Demat Mode	59,41,851	98.7531	14,581	97.4145

b) Shareholding Pattern as on 31st March, 2024:

Category Code	Category of Shareholders	Number of Shareholders	Total number of Ordinary Shares held	As a percentage of total Ordinary Shares
(A)	Shareholding of Promoter and Promoter Group			
	1. Indian	7	45,02,294	74.8278
	2. Foreign	-	-	-
	Total Shareholding of Promoter and Promoter Group	7	45,02,294	74.8278
(B)	Public Shareholding			
	1. Institutions	29	26,127	0.4342
	2. Non-institutions	14,932	14,88,454	24.7380
	Total Public Shareholding	14,961	15,14,581	25.1722
(C)	Shares held by Custodians and against which Depository Receipts have been issued			
	1. Promoter and Promoter Group	-	-	-
	2. Public	-	-	-
	Total Shares held by Custodians	-	-	-
	TOTAL (A)+(B)+(C)	14,968	60,16,875	100.0000

ANNEXURE I TO THE BOARD'S REPORT

14. Other Disclosures

- i) There are no materially significant related party transactions between the Company and its promoters, directors or any other related party that may have potential conflict with the interests of the Company at large. All transactions entered with related parties were in the ordinary course of business and at arm's length price with prior approval of the audit committee in line with the policy on related party transactions of the Company. Disclosures as required under IND AS-24 have been made in Note 51 to the financial statements for the year ended 31st March, 2024. Policy on related party transactions and other policies and code of conduct adopted by the Board of Directors are displayed on the website (<https://www.cheviotgroup.com>).
- ii) During the last three years, no penalty or stricture has been imposed on the Company by the stock exchange(s) viz. National Stock Exchange of India Limited and BSE Limited or Securities and Exchange Board of India or any other statutory authority for non-compliance of any matter related to the capital markets.
- iii) The whistle blower policy/vigil mechanism established by the Company offers appropriate protection to the whistle blower(s) from victimisation, harassment or disciplinary proceedings. The whistle blower(s) may also lodge his/her/their complaint(s)/concern(s) with the chairman of the audit committee. No personnel have been denied access to the audit committee.
- iv) The Company does not have any subsidiary.
- v) The Senior Management Personnel of the Company have confirmed to the Board of Directors that there was no material, financial and commercial transaction entered during the financial year ended 31st March, 2024, where they have personal interest that may have a potential conflict with the interests of the Company at large.
- vi) The details of fees paid/payable to the Statutory Auditors by the Company have been disclosed in Note 40 to the financial statements for the year ended 31st March, 2024.
- vii) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.
- viii) The Company did not extend any loan or advance to any firm/company in which directors are interested.
- ix) Disclosure of compliance with mandatory and non-mandatory corporate governance requirements:
The Company has complied with corporate governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 read with Schedule V to SEBI Listing Regulations.
 - a) **Mandatory requirements:** The Company has complied with all the mandatory requirements under the SEBI Listing Regulations.
 - b) **Discretionary requirements:**
 - A. The Board:** The Chairman of the Board is an executive director.
 - B. Shareholder Rights:** Half-yearly results and other information are published in newspaper and uploaded on Company's website (<https://www.cheviotgroup.com>).
 - C. Modified opinion(s) in audit report:** The Company has received unmodified audit opinion on the financial statements for the year ended 31st March, 2024.
 - D. Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:** Presently, the post of Chairman and Managing Director or the Chief Executive Officer are not separated.
 - E. Reporting of internal auditor:** The internal auditors have access to report directly to the audit committee.
- x) There has not been any instance where the Board of Directors did not accept the recommendations of committees of the Board, which is mandatorily required.
- xi) The Company does not undertake any commodity hedging activities. The hedged and unhedged foreign currency exposure are reported at Note 53.3 to the financial statements for the year ended 31st March, 2024.

ANNEXURE I TO THE BOARD'S REPORT

15. Certificate of non-disqualification of directors

Certificate dated 24th May, 2024 received from M/s Rahul Srivastava & Co., a firm of practising company secretaries confirming that none of the directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority is appended to this report.

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

Sl. No.	Particulars	
a.	number of complaints filed during the financial year	Nil
b.	number of complaints disposed of during the financial year	Nil
c.	number of complaints pending as on end of the financial year	Nil

17. Declaration on compliance with Company's code of conduct

The Board of Directors have formulated a code of conduct applicable to all the directors and senior management personnel of the Company incorporating duties of independent directors which has been posted on the website of the Company (<https://www.cheviotgroup.com>). A declaration dated 24th May, 2024 signed by the Chief Executive Officer of the Company affirming compliance with the Company's code of conduct by the directors and senior management personnel of the Company is appended to this report.

18. Disclosure with respect to demat suspense account / unclaimed suspense account

In terms of SEBI Listing Regulations, details of the ordinary shares lying in the Unclaimed Suspense Account in dematerialised form are as follows:

Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the beginning of the year (as on 1st April, 2023)	Number of shareholders who approached the Company for transfer of shares from unclaimed suspense account during the year	Number of shareholders to whom shares were transferred from unclaimed suspense account during the year	Aggregate number of shareholders and the outstanding shares in the unclaimed suspense account lying at the end of the year (as on 31st March, 2024)
20,155 ordinary shares held by 181 members	181 ordinary shares were claimed by 3 members/legal heirs.	<ul style="list-style-type: none"> 181 ordinary shares were claimed by 3 members/legal heirs. 780 ordinary shares held by 17 members were transferred from unclaimed suspense account to IEPF Authority pursuant to Section 124(6) of the Companies Act, 2013 read with Rules thereunder. 	19,194 ordinary shares held by 161 members

Note: The voting rights on the shares lying in Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

Member-wise details of shares lying in Unclaimed Suspense Account are available on the website of the Company (<https://www.cheviotgroup.com/investors/>). Members whose shares are lying in the unclaimed suspense account of the Company in dematerialised form can approach the Company or the Registrar to claim their shares.

ANNEXURE I TO THE BOARD'S REPORT

19. CEO and CFO certification

As required under Regulation 17(8) of the SEBI Listing Regulations, Mr. Harsh Vardhan Kanoria, Chairman and Managing Director, Chief Executive Officer and Mr. Madhup Kumar Patni, Chief Financial Officer of the Company have provided a compliance certificate dated 24th May, 2024 to the Board of Directors, as specified in Part B of Schedule II to the SEBI Listing Regulations.

20. Disclosure of certain types of agreements binding the Company

The Company is not aware of any agreement entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the company or any agreement creating obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner. The Company has not filed any disclosure with the stock exchange(s) under clause 5A of paragraph A of Part A of Schedule III to the SEBI Listing Regulations during the year ended 31st March, 2024.

21. Compliance certificate

Compliance certificate dated 24th May, 2024 received from M/s Rahul Srivastava & Co., a firm of practising company secretaries regarding compliance of conditions of corporate governance is appended to this report.

Kolkata, 24th May, 2024

For and on behalf of the Board
Harsh Vardhan Kanoria
Chairman and Managing Director,
Chief Executive Officer
(DIN: 00060259)

ANNEXURE I TO THE BOARD'S REPORT

DECLARATION ON COMPLIANCE WITH COMPANY'S CODE OF CONDUCT

Dear Members,

I hereby declare that to the best of my knowledge and belief, all the members of the Board and senior management personnel of the Company have affirmed compliance with the Company's Code of Conduct for the Board of Directors and senior management for the financial year ended 31st March, 2024.

Harsh Vardhan Kanoria
Chairman and Managing Director,
Chief Executive Officer
(DIN: 00060259)

Kolkata, 24th May, 2024

Certificate of Compliance on Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,

The Members of **Cheviot Company Limited**

24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata 700016

The Corporate Governance Report prepared by **Cheviot Company Limited (CIN-L65993WB1897PLC001409)** (hereinafter referred to as the "**Company**"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2024.

Management's Responsibility

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

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

Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, my responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I further state that such compliance 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.

Opinion

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

I 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 Rahul Srivastava & Co.
Practising Company Secretary
A Peer Reviewed Firm
Peer Review Certificate No.: 3408/2023
Rahul Srivastava
Membership no.: F11828
CP no.: 23592
UDIN: F011828F000440828

Place: Kolkata

Date: 24th May, 2024

ANNEXURE I TO THE BOARD'S REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of **Cheviot Company Limited**
24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata 700016

I have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of **Cheviot Company Limited (CIN-L65993WB1897PLC001409)** having registered office at 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata 700016 (hereinafter referred to as the "**Company**"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sl. No.	Name of the Directors	DIN	Date of appointment in Company (as per MCA Portal)
1	Mr. Harsh Vardhan Kanoria	00060259	28/08/1975
2	Mr. Utkarsh Kanoria	06950837	24/05/2017
3	Mr. Navin Nayar	00136057	30/07/2001
4	Mr. Padam Kumar Khaitan	00019700	23/09/2006
5	Mrs. Rashmi Prashad	00699317	01/04/2019
6	Mr. Sushil Kumar Dhandhanian	00181159	05/06/2003
7	Mrs. Malati Kanoria	00253241	09/05/2014
8	Mr. Abhishek Murarka	00118310	25/05/2023

Ensuring the eligibility 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 Rahul Srivastava & Co.
Practising Company Secretary
A Peer Reviewed Firm
Peer Review Certificate No.: 3408/2023
Rahul Srivastava
Membership no.: F11828
CP no.: 23592
UDIN: F011828F000440751

Place: Kolkata
Date: 24th May, 2024

ANNEXURE II TO THE BOARD'S REPORT

(₹ in Lakhs)

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 (the "Act") read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "CSR Rules")]

1.	Brief outline on CSR policy of the Company				
	At Cheviot, we believe in a responsible shared value approach to augment industrial growth together with actions directed to create prosperity among all our stakeholders, employees and the community at large. During the year, our CSR programs were oriented toward various activities to support education and healthcare. CSR programs were also undertaken to promote nationally recognised sport and for the benefit of armed force dependents.				
2.	Composition of CSR Committee (Refer note 1 below)				
	Sl. No.	Name of the directors	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	Mrs. Malati Kanoria	Chairperson, Non-Executive Director	2	2
	2	Mr. Padam Kumar Khaitan	Member, Independent Director	2	2
	3	Mrs. Rashmi Prashad	Member, Independent Director	2	1
3.	Provide the web-link(s) where composition of CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company				
	Please click on web-link: https://www.cheviotgroup.com/investors/				
4.	Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the CSR Rules, if applicable				
	Not applicable				
5.	(a) Average net profit of the Company as per Section 135(5) of the Act				₹ 7,126.19
	(b) Two percent of average net profit of the Company as per Section 135(5) of the Act				₹ 142.52
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years				Nil
	(d) Amount required to be set off for the financial year, if any				Nil
	(e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)]				₹ 142.52
6.	(a) Amount spent on CSR projects (both ongoing project and other than ongoing project)				₹ 143.01
	(b) Amount spent in administrative overheads				Nil
	(c) Amount spent on impact assessment, if applicable				N.A.
	(d) Total amount spent for the financial year [6(a)+6(b)+6(c)]				₹ 143.01
	(e) CSR amount spent or unspent for the financial year				
	Total amount spent for the financial year	Amount Unspent			
		Total amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135	
		Amount	Date of transfer	Name of the Fund	Amount
	₹ 143.01	Not applicable			

ANNEXURE II TO THE BOARD'S REPORT

(₹ in Lakhs)

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5) of the Act	₹ 142.52
(ii)	Total amount spent for the financial year	₹ 143.01
(iii)	Excess amount spent for the financial year [(ii) – (i)]	₹ 0.49
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 0.49

7. Details of unspent corporate social responsibility amount for the preceding three financial years

1	2	3	4	5	6		7	8
Sl. No.	Preceding financial year(s)	Amount transferred to unspent CSR Account under sub-section (6) of Section 135	Balance amount in unspent CSR account under sub-section (6) of Section 135	Amount spent in the financial year	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	FY-2022-23				NIL			
2	FY-2021-22				NIL			
3	FY-2020-21				NIL			

8. Whether any capital assets have been created or acquired through corporate social responsibility amount spent in the financial year

Yes No

If yes, enter the number of capital assets created/acquired | Not applicable

Furnish the details relating to such asset(s) so created or acquired through corporate social responsibility amount spent in the financial year

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 of the Companies Act, 2013

Not applicable

Note 1: The corporate social responsibility committee has been re-constituted w.e.f. 1st day of April, 2024 as under:

Sl. No.	Name of the directors	Designation	Nature of Directorship
1	Mrs. Malati Kanoria	Chairperson	Non-Executive Director
2	Mrs. Rashmi Prashad	Member	Independent Director
3	Mr. Sutirtha Bhattacharya	Member	Independent Director

For and on behalf of the Board

Malati Kanoria
Non-Executive Director
Chairperson of CSR Committee
(DIN: 00253241)

Harsh Vardhan Kanoria
Chairman and Managing Director,
Chief Executive Officer
(DIN: 00060259)

Kolkata, 24th May, 2024

ANNEXURE III TO THE BOARD'S REPORT

PARTICULARS OF REMUNERATION

[Pursuant to 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 ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	
	Directors (Refer notes below)	Ratio
	Mr. Harsh Vardhan Kanoria, Chairman and Managing Director, Chief Executive Officer	115:1
	Mr. Utkarsh Kanoria, Wholetime Director	115:1
	Mr. Abhishek Murarka, Wholetime Director ¹	#
	Mr. Navin Nayar, Independent Director ²	3:1
	Mr. Padam Kumar Khaitan, Independent Director ²	3:1
	Mrs. Rashmi Prashad, Independent Director	3:1
	Mr. Sushil Kumar Dhandhanania, Independent Director ²	3:1
	Mrs. Malati Kanoria, Non-Executive Director	3:1
(ii)	The percentage increase in remuneration of each director, chief financial officer, chief executive officer, company secretary in the financial year	
	Directors/Key Managerial Personnel (Refer notes below)	% Increase/(Decrease)
	Mr. Harsh Vardhan Kanoria, Chairman and Managing Director, Chief Executive Officer	(38)%
	Mr. Utkarsh Kanoria, Wholetime Director	(38)%
	Mr. Abhishek Murarka, Wholetime Director ¹	#
	Mr. Navin Nayar, Independent Director ²	0%
	Mr. Padam Kumar Khaitan, Independent Director ²	(2)%
	Mrs. Rashmi Prashad, Independent Director	(2)%
	Mr. Sushil Kumar Dhandhanania, Independent Director ²	0%
	Mrs. Malati Kanoria, Non-Executive Director	0%
	Mr. Madhup Kumar Patni, Chief Financial Officer	25%
	Mr. Aditya Banerjee, Company Secretary and Compliance Officer	35%
(iii)	The percentage increase in the median remuneration of employees in the financial year	2%
(iv)	The number of permanent employees on the rolls of Company (as on 31st March, 2024)	4,098 employees
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	
	The operating profit had decreased by 34% compared to previous year. However, the average percentile increase made in the salaries of employees other than the managerial personnel was at around 9% mainly due to impact of tripartite agreement, increase in DA along with other perquisites of CTC and payment of loyalty reward during the year. On the other hand, managerial remuneration decreased by 37% mainly on account of lower commission on operating profit determined by the Board in accordance with the terms of appointment approved by the members and within the permissible limits of Section 197 of the Companies Act, 2013.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	
	The Company affirms that the remuneration paid to employees, who are covered under Remuneration Policy, is in accordance with the Remuneration Policy of the Company.	

Notes:

- Mr. Abhishek Murarka (DIN: 00118310) has been appointed as Wholetime Director of the Company w.e.f. 25th May, 2023 and as such his remuneration is not comparable for the financial year 2023-24.
- Mr. Navin Nayar (DIN: 00136057), Mr. Padam Kumar Khaitan (DIN: 00019700) and Mr. Sushil Kumar Dhandhanania (DIN: 00181159), Independent Directors of the Company, had vacated their office on completion of second term of office as Independent Director of the Company on 31st March, 2024.

For and on behalf of the Board
Harsh Vardhan Kanoria
 Chairman and Managing Director,
 Chief Executive Officer
 (DIN: 00060259)

Kolkata, 24th May, 2024

ANNEXURE IV TO THE BOARD'S REPORT

(₹ in Lakhs)

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

(i) The steps taken or impact on conservation of energy

Following steps are taken inter-alia for conservation of energy during the year to reduce consumption of energy:

- (i) Gradual replacement of high wattage (36w, 70w, 150w) streetlights with low wattage (15w, 35w, 50w) LED streetlight with higher lumen output;
- (ii) Replacement of 10 nos. 400W HPMV lamp by 94W High Bay LED lamp fittings resulting in savings per light fixtures by almost 75%;
- (iii) Retrofitting and replacement of 10 nos. 5HP old 400V/550V motors by ABB make new IE3 premium efficiency 415V motors;
- (iv) Insulation of steam pipeline to minimise heat waste and insulation of air-compressor pipeline to minimise the no-load loss during idle run time;
- (v) Installation of 25-30% higher energy efficient rotary screw compressor;
- (vi) Replacement of old overhead crane with new crane having variable-frequency drive controlled;
- (vii) Relocate existing capacitor banks to improve Line Power Factor of the feeders and minimise I²R loss; and
- (viii) Gradual modification of conventional spinning frames.

(ii) The steps taken by the company for utilising alternate sources of energy

Following steps are taken by the Company for utilising alternate sources of energy:

- (i) Use of jute waste as fuel in Boilers.
- (ii) Possibility of solar power generation is under study.

(iii) The capital investment on energy conservation equipment

During the year under review, capital investment on energy conservation equipment was made towards crane, 5HP motors, rotary air-compressor and High Bay LED light fittings. The Rest of the energy conservation measures were consumable in nature.

B. Technology Absorption

(i) the efforts made towards technology absorption	The Company strives to adopt the latest technology available for the Jute Industry and takes required measures for upgradation of machineries in the most efficient manner.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution	Cost reduction through sustainable use of resources.
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - a) the details of technology imported b) the year of import c) whether the technology been fully absorbed d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	No technology has been imported during the last three years.
(iv) the expenditure incurred on research and development	Nil

C. Foreign exchange earnings and outgo

Sl. No.	Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
(i)	Foreign exchange earned during the year in terms of actual inflows	₹ 15,620.26	₹ 20,307.16
(ii)	Foreign exchange outgo during the year in terms of actual outflows	₹ 6,859.54	₹ 5,703.30

For and on behalf of the Board
Harsh Vardhan Kanoria
 Chairman and Managing Director,
 Chief Executive Officer
 (DIN: 00060259)

Kolkata, 24th May, 2024

ANNEXURE V TO THE BOARD'S REPORT

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
CHEVIOT COMPANY LIMITED
24, Park Street,
Celica House, 9th Floor, Celica Park,
Kolkata 700016, West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. CHEVIOT COMPANY LTD** (hereinafter called the "**Company**"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 (the "**audit period**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act), amendments thereof and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- Not applicable as no such events occurred during the period under review as per the information provided by the management;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -
 - (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/guidelines/circulars as may be issued by SEBI from time to time.

ANNEXURE V TO THE BOARD'S REPORT

We further report that, during the year under review, there were no actions/events in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (c) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.
- vi) The Company had identified following laws as specifically applicable to the Company, other than general laws, namely:
- (a) The Essential Commodities Act, 1955;
 - (b) The Special Economic Zones Act, 2005 and the rules made thereunder;
 - (c) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987;
 - (d) The Jute Manufactures Cess Act, 1983;
 - (e) Bureau of Indian Standards (BIS) Act, 2016.

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the other applicable laws.

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except delayed intimation submitted to the Stock Exchange(s) for the change in directors of the Company in the outcome of the Board Meeting dated 30th January, 2024 as per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July, 2023.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. The 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 notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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

ANNEXURE V TO THE BOARD'S REPORT

We further report that during the audit period-

- 1) The Company had obtained approval of shareholders by way of Ordinary Resolution passed at the Annual General Meeting of the Company held on 11th August, 2023 for appointment of Mr. Abhishek Murarka (DIN: 00118310), as a Wholetime Director of the Company for a period of 5 (five) years with effect from 25th May, 2023, whose office shall be liable to determination by retirement of directors by rotation.
- 2) The Company had obtained approval of shareholders by way of Special Resolution passed through Postal Ballot on 14th March, 2024 for:
 - i) Appointment of Mr. Sutirtha Bhattacharya (DIN: 00423572) as an Independent Director of the Company, to hold office of the Independent Director for a term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
 - ii) Appointment of Mr. Deo Kishan Mohta (DIN: 00060170) as an Independent Director of the Company, to hold office of the Independent Director for a term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
 - iii) Appointment of Mr. Siddharth Jhaharia (DIN: 01385496) as an Independent Director of the Company, to hold office of the Independent Director for a term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.
 - iv) Re-appointment of Mrs. Rashmi Prashad (DIN: 00699317) as an Independent Director of the Company, to hold office of the Independent Director for second term of 5 (five) consecutive years from 1st April, 2024 to 31st March, 2029, not liable to retire by rotation.

This Report is to be read with our letter of even date which is annexed as “**Annexure A**” and forms an integral part of this Report.

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[M. R. Goenka]
Partner

FCS No.: 4515

C P No.: 2551

UDIN No. F004515F000441897

Place: Kolkata

Date: 24th May, 2024

ANNEXURE V TO THE BOARD'S REPORT

"ANNEXURE – A" TO THE SECRETARIAL AUDIT REPORT For The Financial Year Ended 31st March, 2024

To
The Members,
CHEVIOT COMPANY LIMITED
24, Park Street,
Celica House, 9th Floor, Celica Park,
Kolkata 700016, West Bengal

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. 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 MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[M. R. Goenka]
Partner
FCS No.: 4515
C P No.: 2551

Place: Kolkata
Date: 24th May, 2024

UDIN No. F004515F000441897



Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of Cheviot Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Cheviot Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 Standard) Rules 2015 , as amended (Ind As) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have 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 for the year ended March 31, 2024. 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. We have determined the matters described below as Key audit matters and for each matter, our description of how our audit addressed the matter is provided in that context.

The key audit matter	How our audit addressed the key audit matter
<p>A. Valuation of Inventories Refer to note 13 to the financial statements. As described in the accounting policies in note 3.1 to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of slow and non-moving inventories, net realisable value below cost based upon future plans for sale of inventory. We determined this to be a matter of significance to our audit due to quantum of the amount and estimation involved.</p>	<p>Obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by: -</p> <ol style="list-style-type: none"> 1. Completing a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk. 2. Verifying the effectiveness of key inventory controls operating over inventories; including sample based physical verification. 3. Verifying for a sample of individual products that costs have been correctly recorded. 4. Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision. 5. Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year. 6. Recomputing provisions recorded to verify that they are in line with the Company policy.

INDEPENDENT AUDITORS' REPORT (Contd..)

The key audit matter	How our audit addressed the key audit matter
<p>B.Valuation and existence of Non-Current and Current Investments Refer note 9 and 14 to the financial statements.</p> <p>The company holds Non-Current and Current Investments amounting to ₹ 27,049.79 lakhs and ₹ 5,025.51 lakhs respectively which represents 47.13% of total assets as at March 31, 2024. The Investments comprise of mutual funds, debenture, bonds, preference shares and Alternative Investment Fund and are majorly actively traded with readily available quoted market prices / net assets value. The investments being financial instruments needs to be appropriately designated at fair value through profit or loss, fair value through other comprehensive income (not to be recycled) or at amortised cost. Further, these financial instruments need to be valued and classified as Level 1, 2 or 3 financial instruments as per the fair value hierarchy. This was an area of focus for our audit and the area where significant audit effort was directed.</p> <p>We have determined this to be a key audit matter because of significant quantum of valuation involved.</p>	<p>Our audit procedures included:</p> <ol style="list-style-type: none"> 1. Understood, assessed and tested the design and operating effectiveness of key controls surrounding fair valuation of investments. 2. Obtained demat account holding statement / confirmations, Mutual fund and Alternative Investment Fund statements to verify the existence and ownership of the company's Investment portfolio. 3. Verified on sample basis the fair valuation of all Investments held as at March 31, 2024 to the Net Assets Value provided by the respective Mutual funds and Alternative Investment Funds, market value of quoted debenture, bonds and mutual fund from source data and tested the arithmetical accuracy of the calculation of valuation of investments. 4. Assessed the adequacy of the Company's disclosures.

Information Other than the Financial Statements and Auditors' 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 Management Discussion & Analysis, Board's Report and Corporate Governance Report, including Annexures, but does not include the financial statements and our auditor's reports thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT (Contd.)

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

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

Auditor's 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 judgement 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

INDEPENDENT AUDITORS' REPORT (Contd..)

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of the section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanation given to us, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its financial statements - Refer note 43.1 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund ("IEPF") by the Company.

INDEPENDENT AUDITORS' REPORT (Contd..)

- iv.(a) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 55(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the note 55(vi) to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on our audit procedures that are 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 paragraph 2(h) (iv)(a) &(b) above, contain any material mis-statement.
- v. The 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.

As stated in Note 45 to the Financial Statements, the Board of Directors of the Company has 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. According to the information and explanations given to us and based on our examination which included appropriate test checks, we report that the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of tampering of the audit trail feature during the course of our audit.

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

Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Place: Kolkata

Dated: May 24, 2024

Membership No. 059147

UDIN: 24059147BKEGTU2868

INDEPENDENT AUDITORS' REPORT (Contd..)

(₹ in Lakhs)

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 with the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to Statutory Audit of **Cheviot Company Limited** for the year ended March 31, 2024)

We report that:

- i.(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 property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company. However, mutation of land in company's name in government land records is pending in following case:

Description of Property	Gross carrying value (₹)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Certain portions of Freehold Land situated at Mouza Hetalkhali under Budge Budge Municipality, in the State of West Bengal	0.20	Cheviot Company Limited	No	Year 1920 / 1933	Mutation of land for name change in respect of certain portions of freehold land received from Chitpore Golabari Company Limited through perpetual lease / settlement operation is pending.

- (d) The Company has not revalued its property plant and equipment (including ROU Asset) or intangible asset or both during the year ended March 31, 2024.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.(a) The management has conducted physical verification of inventories (excluding inventories in transit) at reasonable intervals during the year and discrepancies of 10% or more in aggregate for each class of inventory were not noticed on physical verification of such inventories. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. In respect of inventories in transit, subsequent goods receipt have been verified or confirmation have been obtained from the parties.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from bank during the year on the basis of security of current assets and mortgage of immovable properties of the Company. The quarterly returns/statements filed by the Company with such bank are in agreement with the books of accounts of the Company.

INDEPENDENT AUDITORS' REPORT (Contd..)

- iii.(a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence sub-clauses (iii) (a), (c), (d), (e), (f) under clause (iii) of the Order are not applicable.
- (b) The investments made, during the year are, prima facie, not prejudicial to the Company's interest
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made. The company has not granted any loan or provided any guarantee or security under section 185 of the Companies Act, 2013.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the accounts and records maintained by the Company pursuant to the Order made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013. We are of the opinion, that prime-facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the same with a view to determine whether they are accurate or complete.
- vii.(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the extent applicable, were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to sub clause (a) above which have not been deposited as on March 31, 2024 on account of any dispute are given below:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	68.75	F.Y. 2014-15	Commissioner of Income tax (Appeals)
		23.91	F.Y. 2015-16	Commissioner of Income tax (Appeals)
		40.14	F.Y. 2016-17	Commissioner of Income tax (Appeals)
		53.46	F.Y. 2017-18	Commissioner of Income tax (Appeals)
		26.42	F.Y. 2020-21	Commissioner of Income tax (Appeals)

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix.(a) Based on our audit procedures performed by us and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

INDEPENDENT AUDITORS' REPORT (Contd..)

- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not raised any fund by way of term loan during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) The Company does not have any subsidiary or joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary or joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x.(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi.(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under Section 143(12) of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- 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 accounting standards.
- xiv.(a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till the date of audit report, for the period under audit.
- xv. According to the information and explanations given to us and as represented to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

INDEPENDENT AUDITORS' REPORT (Contd..)

- xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) & (b) of the Order is not applicable to the Company.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (c) Based on the information and explanations provided by the management of the Company, the Group does not have any CIC's, which are part of the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current financial year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Refer note 54 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx.(a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- (b) In our opinion and according to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act, 2013.

Singhi & Co.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain

Partner

Membership No. 059147

UDIN: 24059147BKEGTU2868

Place: Kolkata

Dated: May 24, 2024

INDEPENDENT AUDITORS' REPORT (Contd..)

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting with reference to these financial statements of **CHEVIOT COMPANY LIMITED** ("the Company") as of March 31, 2024 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statement included obtaining an understanding of internal financial controls with reference to financial statement, 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 Company's internal financial controls over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over financial reporting with reference to the financial statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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.

INDEPENDENT AUDITORS' REPORT (Contd..)

Limitations of Internal Financial Controls over financial reporting with reference to the financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to financial statement to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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 over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal financial controls 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.

Place: Kolkata

Dated: May 24, 2024

Singhi & Co.
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147
UDIN: 24059147BKEGTU2868

Balance sheet as at 31st March, 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	20,186.67	20,285.79
(b) Capital work-in-progress	5A	409.60	454.40
(c) Right of use assets	6	26.17	62.22
(d) Investment property	7	-	20.47
(e) Other intangible assets	8	9.31	10.49
(f) Intangible assets under development	8A	-	1.95
(g) Financial assets			
(i) Investments	9	27,049.79	18,832.87
(ii) Other financial assets	10	15.32	18.62
(h) Non-current tax assets (net)	11	172.49	126.97
(i) Other non-current assets	12	239.56	62.01
Total non-current assets		48,108.91	39,875.79
(2) Current assets			
(a) Inventories	13	10,664.13	10,032.18
(b) Financial assets			
(i) Investments	14	5,025.51	6,938.47
(ii) Trade receivables	15	3,018.41	3,384.60
(iii) Cash and cash equivalents	16	123.42	358.46
(iv) Other bank balances other than Note - 16	17	171.49	501.70
(v) Other financial assets	18	430.76	326.61
(c) Other current assets	19	508.91	775.81
Total current assets		19,942.63	22,317.83
TOTAL ASSETS		68,051.54	62,193.62
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	602.04	602.04
(b) Other equity	21	61,976.40	56,678.90
Total equity		62,578.44	57,280.94
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	22	0.04	16.10
(b) Provisions	23	59.06	55.90
(c) Deferred tax liabilities (net)	24	1,324.43	1,137.52
(d) Other non-current liabilities	25	13.17	15.61
Total non-current liabilities		1,396.70	1,225.13
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	876.70	625.38
(ii) Lease liabilities	27	16.06	38.65
(iii) Trade payables	28		
-Total outstanding dues of micro enterprises and small enterprises		3.18	6.11
-Total outstanding dues of creditors other than micro enterprises and small enterprises		1,047.43	500.87
(iv) Other financial liabilities	29	1,315.44	1,845.39
(b) Other current liabilities	30	490.92	360.79
(c) Provisions	31	312.10	209.97
(d) Current tax liabilities (net)	32	14.57	100.39
Total current liabilities		4,076.40	3,687.55
TOTAL EQUITY AND LIABILITIES		68,051.54	62,193.62
Basis of accounting	2		
Material accounting policies	3		
Significant judgement and key estimate	4		

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

As per our report of even date
For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147
Place: Kolkata
Dated the 24th day of May, 2024

Madhup Kumar Patni
Chief Financial Officer

Aditya Banerjee
Company Secretary

For and on behalf of the Board of Directors
Harsh Vardhan Kanoria
Chairman and Managing Director
Chief Executive Officer
(DIN - 00060259)

Utkarsh Kanoria
Wholetime Director
(DIN - 06950837)

Siddharth Jhajharia
Independent Director
(DIN : 01385496)

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

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
I Revenue from operations	33	46,280.30	56,358.84
II Other income	34	4,500.03	1,072.16
III Total income (I+II)		50,780.33	57,431.00
IV Expenses			
(a) Cost of materials consumed	35	25,889.84	32,775.83
(b) Changes in inventories of finished goods and work-in-progress	36	(493.25)	(273.88)
(c) Employee benefits expense	37	7,659.36	7,771.80
(d) Finance costs	38	36.76	34.04
(e) Depreciation and amortisation expense	39	660.64	438.64
(f) Other expenses	40	8,536.62	9,538.12
Total expenses (IV)		42,289.97	50,284.55
V Profit before exceptional items and tax (III-IV)		8,490.36	7,146.45
VI Exceptional items		-	-
VII Profit before tax (V+VI)		8,490.36	7,146.45
VIII Tax expense	41		
(a) Current tax (including tax for earlier years)		1,263.11	1,770.32
(b) Deferred tax		287.87	(69.99)
Total tax expense (VIII)		1,550.98	1,700.33
IX Profit for the year (VII-VIII)		6,939.38	5,446.12
X Other comprehensive income/(loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Changes in revaluation surplus		-	-
(b) Remeasurements of the defined benefit plans		(158.06)	83.10
(ii) Income tax relating to items that will not be reclassified to profit or loss	41	140.74	62.23
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income/(loss) for the year (X)		(17.32)	145.33
XI Total comprehensive income for the year (IX+X)		6,922.06	5,591.45
XII Earnings per equity share (Face value of ₹ 10 /- each)	42		
(a) Basic (in ₹)		115.33	90.51
(b) Diluted (in ₹)		115.33	90.51
Basis of accounting	2		
Material accounting policies	3		
Significant judgement and key estimate	4		

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

As per our report of even date
For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147
Place: Kolkata
Dated the 24th day of May, 2024

Madhup Kumar Patni
Chief Financial Officer

Aditya Banerjee
Company Secretary

For and on behalf of the Board of Directors
Harsh Vardhan Kanoria
Chairman and Managing Director
Chief Executive Officer
(DIN - 00060259)

Utkarsh Kanoria
Wholetime Director
(DIN - 06950837)

Siddharth Jhajharia
Independent Director
(DIN : 01385496)

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

(₹ in Lakhs)

a. Equity share capital

Particulars	Amount
Balance as at 1st April, 2022	602.04
Less : Changes in equity share capital during the year	-
Balance as at 31st March, 2023	602.04
Less : Changes in equity share capital during the year	-
Balance as at 31st March, 2024	602.04

b. Other equity

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	Capital reserve	General reserve	Capital redemption reserve	Retained earnings	Revaluation surplus	Remeasurements of the defined benefit plans	
Balance as at 1st April, 2022	0.24	32,752.97	74.92	11,312.50	10,556.95	-	54,697.58
Profit for the year	-	-	-	5,446.12	-	-	5,446.12
Other comprehensive income/(loss) for the year *	-	-	-	-	83.14	62.19	145.33
Total comprehensive income for the year	-	-	-	5,446.12	83.14	62.19	5,591.45
Dividend paid for F.Y.2021-22	-	-	-	(3,610.13)	-	-	(3,610.13)
Transfer from other comprehensive income (remeasurement gain/loss net of tax) to retained earnings	-	-	-	62.19	-	(62.19)	-
Balance as at 31st March, 2023	0.24	32,752.97	74.92	13,210.68	10,640.09	-	56,678.90

* Figures in revaluation surplus column represents impact of deferred tax.

Statement of Changes in Equity for the year ended 31st March, 2024 (contd..)

(₹ in Lakhs)

Particulars	Reserves and surplus				Items of other comprehensive income		Total
	Capital reserve	General reserve	Capital redemption reserve	Retained earnings	Revaluation surplus	Remeasurements of the defined benefit plans	
Balance as at 31st March, 2023	0.24	32,752.97	74.92	13,210.68	10,640.09	-	56,678.90
Profit for the year	-	-	-	6,939.38	-	-	6,939.38
Other comprehensive income/(loss) for the year *	-	-	-	-	100.96	(118.28)	(17.32)
Total comprehensive income for the year	-	-	-	6,939.38	100.96	(118.28)	6,922.06
Dividend paid for F.Y.2022-23	-	-	-	(1,624.56)	-	-	(1,624.56)
Transfer from other comprehensive income (remeasurement gain/loss net of tax) to retained earnings	-	-	-	(118.28)	-	118.28	-
Balance as at 31st March, 2024	0.24	32,752.97	74.92	18,407.22	10,741.05	-	61,976.40

* Figures in revaluation surplus column represents impact of deferred tax.

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

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147

Place: Kolkata
Dated the 24th day of May, 2024

Madhup Kumar Patni
Chief Financial Officer

Aditya Banerjee
Company Secretary

For and on behalf of the Board of Directors

Harsh Vardhan Kanoria Chairman and Managing Director
Chief Executive Officer
(DIN - 00060259)

Utkarsh Kanoria Wholetime Director
(DIN - 06950837)

Siddharth Jhajharia Independent Director
(DIN : 01385496)

Statement of Cash Flows for the year ended 31st March, 2024

(₹ in Lakhs)

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
A. CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit before tax as per statement of profit and loss		8,490.36		7,146.45
Adjustments for:				
Depreciation and amortisation expense	660.64		438.64	
Unrealised foreign exchange loss	1.02		4.97	
Income from deferred revenue grant	(12.91)		(16.84)	
Net (gain) / loss on sale of investments	(396.89)		106.86	
Net gain on fair value changes of investments measured at FVTPL	(2,905.05)		(323.12)	
Net profit on sale of property, plant and equipment	(14.11)		(45.84)	
Profit on sale of an investment property	(485.09)		-	
Interest income	(676.40)		(761.42)	
Dividend income	(5.82)		(4.17)	
Property, plant and equipment and other intangible assets written off	3.92		2.58	
Finance costs	36.76		34.04	
Liabilities no longer required written back	(3.41)	(3,797.34)	(6.23)	(570.53)
Operating profit before working capital changes		4,693.02		6,575.92
Adjustments for:				
(Increase)/decrease in inventories	(631.95)		(1,262.35)	
(Increase)/decrease in trade receivables	371.02		1,561.79	
(Increase)/decrease in other financial assets	(116.82)		248.18	
(Increase)/decrease in other assets	245.89		255.18	
Increase/(decrease) in trade payables	546.13		(131.88)	
Increase/(decrease) in other financial liabilities	(307.84)		(131.21)	
Increase/(decrease) in provisions	(52.77)		67.98	
Increase/(decrease) in other liabilities	140.60	194.26	150.53	758.22
Cash generated from operations		4,887.28		7,334.14
Direct taxes paid (net of refunds)		(1,295.36)		(1,832.36)
Net cash from operating activities		3,591.92		5,501.78

Statement of Cash Flows for the year ended 31st March, 2024 (contd..)

(₹ in Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, other intangible assets and investment property (including changes in capital work-in-progress, capital advances / creditors)	(914.79)	(2,412.05)
Sale of property, plant and equipment	24.67	54.91
Sale of investment property	550.00	-
Purchase of investments	(15,916.54)	(24,126.45)
Sale of investments	12,898.68	21,707.07
Redemption of fixed deposits with bank (maturity of more than three months)	325.00	1,625.00
Interest received	638.41	922.41
Dividend received	5.24	4.96
Net cash (used in) investing activities	(2,389.33)	(2,224.15)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of non-current borrowings	(7.41)	(14.82)
Payment of lease liabilities (including interest thereon)	(41.36)	(41.36)
Proceeds from / (Repayment of) current borrowings (net)	258.73	(131.65)
Dividend paid	(1,624.56)	(3,610.13)
Finance costs paid	(23.04)	(36.74)
Net cash (used in) financing activities	(1,437.64)	(3,834.70)
Net (decrease) in cash and cash equivalents (A+B+C)	(235.05)	(557.07)
Cash and cash equivalents (opening balance)	358.46	915.47
Effect of exchange rate changes on cash and cash equivalents	0.01	0.06
Cash and cash equivalents (closing balance)	123.42	358.46

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Notes:		
1. Cash and cash equivalents (Refer Note - 16) included in the cash flows statement comprise the following balance sheet amounts:		
Cash on hand	3.44	3.00
Balances with banks	119.98	355.46
Cash and cash equivalents (closing balance)	123.42	358.46
2. The above cash flows statement has been prepared under 'Indirect Method' as set out in Ind AS - 7, "Statement of Cash Flows".		

Statement of Cash Flows for the year ended 31st March, 2024 (contd..)

(₹ in Lakhs)

3. Statement of reconciliation of financing activities :

Particulars	Borrowings (Non-current) (including current maturities)	Borrowings (Current)
Balance as at 1st April, 2022 (including interest accrued thereon)	22.23	749.62
Cash flow (net)	(14.82)	(131.65)
Non-cash changes		
- Fair value changes	-	-
Interest expense	1.29	10.86
Interest paid	(1.29)	(10.86)
Balance as at 31st March, 2023 (including interest accrued thereon)	7.41	617.97
Cash flow (net)	(7.41)	258.73
Non-cash changes		
- Fair value changes	-	-
Interest expense	0.11	13.65
Interest paid	(0.11)	(13.65)
Balance as at 31st March, 2024 (including interest accrued thereon)	-	876.70

4. Previous year's figures have been re-grouped/re-classified, wherever necessary, to make them comparable to the current year's presentation.

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

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147

Place: Kolkata
Dated the 24th day of May, 2024

Madhup Kumar Patni
Chief Financial Officer

Aditya Banerjee
Company Secretary

For and on behalf of the Board of Directors

Harsh Vardhan Kanoria Chairman and Managing Director
Chief Executive Officer
(DIN - 00060259)

Utkarsh Kanoria Wholetime Director
(DIN - 06950837)

Siddharth Jhajharia Independent Director
(DIN : 01385496)

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

1. CORPORATE AND GENERAL INFORMATION

Cheviot Company Limited (the “Company”) is a Public Limited Company incorporated in India. The Company has its registered office at 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata-700016. The Company is listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The Company manufactures jute products with flexibility to cater to both domestic and international market. The Company is renowned for manufacturing superior quality Hessian fabrics for export market at the Export Oriented Unit situated at Falta Special Economic Zone in the state of West Bengal, India.

2. BASIS OF ACCOUNTING

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (“the Act”), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

Accounting Policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

The Board of Directors have approved the financial statements for the year ended 31st March, 2024 and authorised for issue on 24th May, 2024. These financial statements shall be placed before the ensuing annual general meeting of the Company for the approval of the shareholders.

2.2. Basis of Preparation

The financial statements have been prepared on a historical cost basis except certain items that are measured at fair value as explained in accounting policies and Freehold land which have been measured on revaluation model.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories.

2.3. Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (₹), which is also the Company’s functional currency. All financial information presented in (₹) has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2.4. Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period prospectively in which the results are known/ materialised.

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

2.5. Current Vs Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities respectively.

2.6. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024, MCA had not notified any new standards or amendments to the existing standards applicable to the Company.

3. MATERIAL ACCOUNTING POLICIES

A summary of the material accounting policies applied in the preparation of the financial statements are given below. These accounting policies have been applied consistently to all the periods presented in the financial statements 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.

3.1. Inventories

- Raw materials, stores and spares and loose tools are valued at lower of cost and net realisable value. However, items held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase, non-refundable taxes and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.
- Work-in-progress and finished goods are valued at lower of cost and net realisable value. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted average basis.
- Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated cost necessary to make the sale. Net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods.
- Adequate provision is made for obsolete and slow-moving stocks, wherever necessary.

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

3.2. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand, cheques in hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

3.3. Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities based on tax rates and tax laws that have been enacted during the period.

b) Deferred Tax

- Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.
- Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognised for carry forward of unused tax losses and unused tax credits.
- Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- Deferred tax relating to items recognised outside the statement of profit and loss is recognised either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

3.4. Property, Plant and Equipment

a) Recognition and Measurement:

- Property, plant and equipment, except freehold land, held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation/amortisation and accumulated impairment losses (if any).
- Freehold land has been stated at revalued amount. The difference between carrying amount of such land and fair value less any impairment loss is shown as revaluation surplus net of deferred tax under the head other equity. The changes in fair value of land is recognised in other comprehensive income net of deferred tax and accumulated in other equity under the head revaluation surplus. The revaluation surplus shall be transferred to retained earnings when the asset is derecognised.
- Cost of an item of property, plant and equipment acquired comprises its purchase price, including non-refundable import duties and taxes, after deducting any trade discounts and rebates, borrowing cost, if capitalisation criteria is met and any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

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

- In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.
- Profit or loss arising on the disposal of property, plant and equipment are recognised in the statement of profit and loss.

b) Subsequent Expenditure

- Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.
- Major inspection/ repairs/ overhauling expenses are recognised in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortised part of the previously recognised expenses of similar nature is derecognised.

c) Depreciation and Amortisation

- Depreciation on property, plant and equipment is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.
- Each part of items of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. Certain components of property, plant and equipment as identified by the Company have been depreciated at their respective useful lives ranging between 4 and 10 years.
- Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).
- Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

d) Disposal of Assets

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

e) Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production. Advances given towards acquisition or construction of property, plant and equipment outstanding at each reporting date are disclosed as Capital advances under "Other Non-Current Assets".

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

3.5. Leases

Assets taken on lease :

The Company mainly has lease arrangements for land and building.

The Company assesses whether a contract is or contains a lease, at inception of a contract in accordance with Ind AS 116. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Company has substantially all the economic benefits from the use of the asset through the period of the lease, and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term or useful life of the underlying asset if the Company expects to exercise a purchase option in the lease. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, generally discounted using an incremental borrowing rate specific to the Company, term and currency of the contract.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Company is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "other expenses" in the Statement of Profit or Loss.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

Short-term leases and leases of low-value assets

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

3.6. Revenue Recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specific of each arrangement.

a) Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Performance Obligations in sales contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on terms with customers.

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Transaction price is the amount of consideration in the contract to which the Company expects to be entitled in exchange for transferring the promised goods or services.

The Company does not expect to have any contracts where the period between transfer of promised goods or services to the customer and payment by customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

b) Benefits under Duty Drawback Scheme/Other Export Benefits

Revenue in respect of above benefits is recognized on post export basis and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

c) Insurance claims

Insurance claims are accounted for on the basis of acceptance of claims and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

d) Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Dividend income

Dividends are recognised at the time the right to receive payment is established.

3.7. Employee Benefits

a) Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve 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.

b) Other Long Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the rate of government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognised in the statement of profit and loss.

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

c) Post-Employment Benefits

The Company operates the following post-employment schemes:

- **Defined Benefit Plans**

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognised for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the rate of government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling are recognised in other comprehensive income. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

- **Defined Contribution Plan**

Defined contributions to Provident Fund, Pension Scheme and Employees' State Insurance Scheme are defined contribution schemes and are charged to the statement of profit and loss of the year. The Company makes specified monthly contributions towards employees provident fund to a trust administered by the Company as well as to provident fund plan operated by the Regional Provident Fund Commissioner. The minimum rate of interest which is payable every year by the trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

d) Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the statement of profit and loss immediately.

3.8. Foreign Currency Transactions

- Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.
- Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognised in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the statement of profit and loss within finance costs.
- Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

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

3.9. Borrowing Cost

- Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.
- Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalised as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.
- Transaction costs in respect of long term borrowing are amortised over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.10. Financial Instruments

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

a) Financial Assets

- **Initial Recognition and Measurement:**

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However trade receivables that do not contain a significant financing component are measured at transaction price.

- **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at amortised cost;
- Measured at fair value through other comprehensive income (FVTOCI);
- Measured at fair value through profit or loss (FVTPL); and
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

- Measured at FVTOCI:

A financial asset is measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

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

Financial assets meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognised in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognised in the statement of profit and loss in interest income. Where the asset is disposed of, the cumulative gain or loss previously accumulated in other comprehensive income reserve is transferred in the statement of profit and loss.

➤ **Measured at FVTPL:**

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. Financial asset included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Interest/dividend income on financial instruments measured at FVTPL are presented separately under other income.

➤ **Equity instruments measured at FVTOCI:**

All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no reclassification of the amounts from OCI to the statement of profit and loss, even on sale of investment.

• **Derecognition**

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

• **Impairment of Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Financial Liabilities

• **Initial Recognition and Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, as loans and borrowings, as payables or as derivatives, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

• **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

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

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

- **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

- c) **Derivative Financial Instruments:**

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

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

3.11. Impairment of Non-Financial Assets

- The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. 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 other assets or group of assets (Cash Generating Units – CGU).
- An impairment loss is recognised as an expense in the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.12. Provisions, Contingent Liabilities and Contingent Assets

- a) **Provisions**

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

- b) **Contingent Liabilities**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in other notes to financial statements.

- c) **Contingent Assets**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

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

3.13. Intangible Assets

a) Recognition and Measurement

Intangible assets comprise of computer software, expected to provide future enduring economic benefits are stated at cost less accumulated amortisation and impairment, if any. Cost comprises purchase price, non-refundable taxes, duties, and incidental expenses after deducting trade discounts and rebates related to the acquisition and installation of the assets.

b) Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognised in the statement of profit and loss.

c) Amortisation

- Intangible assets are amortised over a period of five years under straight line method.
- The amortisation period and the amortisation method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortisation period is changed accordingly.

d) Intangible Assets under Development

Intangible assets under development is stated at cost which includes expenses incurred in connection with development of Intangible assets in so far as such expenses relate to the period prior to getting the assets ready for use.

3.14. Investment Properties

- Investment property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, used in the production or supply of goods or services or for administrative purposes.
- Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the balance sheet at cost, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of profit and loss.
- The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- Leasehold land is amortised on a straight line basis over the period of lease.
- Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from the use and no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

3.15. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period are adjusted for the effects of all dilutive potential ordinary shares.

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

3.16. Cash Dividend Distribution to Equity Holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.17. Measurement of Fair Values

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind AS and Companies Act, 2013 and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

a) Recognition of Deferred Tax Assets:

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

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

b) Useful Lives of Depreciable/ Amortisable Assets (Property, Plant and Equipment and Intangible Assets):

Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

c) Extension and Termination Option in Leases:

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

This assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Company.

d) Defined Benefit Obligation (DBO):

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

e) Provisions and Contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS – 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

f) Impairment of Financial Assets:

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

g) Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The input 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.

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

(₹ in Lakhs)

5. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings	Plant and equipment	Electrical installations and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
Cost								
As at 1st April, 2022	11,251.90	6,817.82	12,563.42	1,429.47	300.18	185.30	274.69	32,822.78
Additions	-	3,740.84	1,897.51	162.19	112.24	42.07	19.47	5,974.32
Disposals / write off	-	-	133.64	75.29	3.42	44.89	60.68	317.92
As at 31st March, 2023	11,251.90	10,558.66	14,327.29	1,516.37	409.00	182.48	233.48	38,479.18
Additions	-	19.65	423.02	19.95	19.36	27.88	26.68	536.54
Disposals / write off	-	8.38	30.35	3.48	1.05	26.34	0.50	70.10
As at 31st March, 2024	11,251.90	10,569.93	14,719.96	1,532.84	427.31	184.02	259.66	38,945.62
Accumulated depreciation/amortisation								
As at 1st April, 2022	-	4,847.28	11,345.35	1,305.51	280.48	79.08	233.95	18,091.65
Charge for the year	-	106.93	236.70	16.59	4.73	18.33	17.42	400.70
Disposals / write off	-	-	129.02	73.96	3.24	33.82	58.92	298.96
As at 31st March, 2023	-	4,954.21	11,453.03	1,248.14	281.97	63.59	192.45	18,193.39
Charge for the year	-	186.57	356.57	29.10	13.14	16.66	19.14	621.18
Disposals / write off	-	4.58	30.35	2.99	1.00	16.22	0.48	55.62
As at 31st March, 2024	-	5,136.20	11,779.25	1,274.25	294.11	64.03	211.11	18,758.95
Net Block								
As at 31st March, 2023	11,251.90	5,604.45	2,874.26	268.23	127.03	118.89	41.03	20,285.79
As at 31st March, 2024	11,251.90	5,433.73	2,940.71	258.59	133.20	119.99	48.55	20,186.67

Notes:

- 1) Refer Note - 26 for information on property, plant and equipment pledged as security by the Company.
- 2) Refer Note - 43.2 for disclosure on contractual commitment for acquisition of property, plant and equipment.
- 3) Freehold land having original cost of ₹ 3.11 was revalued in earlier years based on valuation report by an independent external valuer and the last revaluation was done by an independent valuer registered under the Companies Act, 2013 as at 31st March, 2022 amounted to ₹ 11,251.90. There has been no revaluation done during the current year.
- 4) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company. However, mutation of land in company's name in Government Land Records is pending in the following case:

Description of item of Property	Gross carrying value (₹)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
Certain portions of Freehold Land situated at Mouza Hetalkhali under Budge Budge Municipality in the State of West Bengal	0.20	Cheviot Company Limited	No	Year 1920 / 1933	Mutation of land for name change in respect of certain portions of freehold land received from M/s Chitpore Golabari Company Limited through perpetual lease / settlement operation is pending.

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

(₹ in Lakhs)

5A. Capital work-in-progress

Descriptions	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	454.40	3,658.07
Add : Additions during the year	444.50	2,609.72
Less: Capitalisations during the year	489.30	5,813.39
Balance at the end of the year	409.60	454.40

5A.1 Ageing schedule of Capital work-in-progress (CWIP) is as below :

Amount in CWIP for a period of	As at 31st March 2024		As at 31st March 2023	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 Year	0.91	-	454.40	-
1-2 Years	408.69	-	-	-
2-3 Years	-	-	-	-
More than 3 Years	-	-	-	-
Total	409.60	-	454.40	-

5A.2 There are no projects as on each reporting period where activity had been suspended. Also there are no projects as on each reporting period which has exceeded its cost as compared to its original plan or where completion is overdue.

6. RIGHT OF USE ASSETS

Particulars	Leasehold Land
Cost	
As at 1st April, 2022	168.16
Additions	9.06
Disposals	-
As at 31st March, 2023	177.22
Additions	-
Disposals	-
As at 31st March, 2024	177.22
Accumulated depreciation	
As at 1st April, 2022	82.76
Charge for the year	32.24
Disposals	-
As at 31st March, 2023	115.00
Charge for the year	36.05
Disposals	-
As at 31st March, 2024	151.05
Net Block	
As at 31st March, 2023	62.22
As at 31st March, 2024	26.17

6.1 Lease deed of all Right of use (ROU) assets are held in the name of the Company.

6.2 Refer Note - 50 for detailed disclosure as per Ind AS 116.

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

7. INVESTMENT PROPERTY

(₹ in Lakhs)

Particulars	Leasehold land	Building	Total
Cost			
As at 1st April, 2022	5.76	17.83	23.59
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2023	5.76	17.83	23.59
Additions	44.72	-	44.72
Disposals	50.48	17.83	68.31
As at 31st March, 2024	-	-	-
Accumulated amortisation/depreciation			
As at 1st April, 2022	0.54	2.13	2.67
Charge for the year	0.09	0.36	0.45
Disposals	-	-	-
As at 31st March, 2023	0.63	2.49	3.12
Charge for the year	0.11	0.17	0.28
Disposals	0.74	2.66	3.40
As at 31st March, 2024	-	-	-
Net Block			
As at 31st March, 2023	5.13	15.34	20.47
As at 31st March, 2024	-	-	-

Notes:

(i) Contractual obligations

There are no contractual obligation to purchase, construct or develop investment property or for its repair, maintenance or enhancement at the balance sheet date.

(ii) Amount recognised in profit and loss for investment property

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Rental income	-	-
Less: Direct operating expenses that generate rental income	-	-
Less: Direct operating expenses that did not generate rental income	0.22	0.67
Profit/(loss) on investment property before depreciation	(0.22)	(0.67)
Less: Amortisation/depreciation	0.28	0.45
Profit/(loss) on investment property	(0.50)	(1.12)

During the year above investment property has been disposed off and profit on sale of investment property amounting to ₹ 485.09 has been shown in other income.

(iii) Fair value of investment property

Particulars	As at 31st March 2024	As at 31st March 2023
Land	-	402.37
Building	-	71.21
	-	473.58

The above fair value has been arrived on the basis of valuation performed by an independent valuer registered under the Companies Act, 2013 having appropriate professional qualification and recent experience in the valuation of properties in relevant location.

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

(₹ in Lakhs)

(iv) Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

8. OTHER INTANGIBLE ASSETS

Particulars	Computer Software
Cost	
As at 1st April, 2022	119.35
Additions	6.48
Disposals/write off	16.22
As at 31st March, 2023	109.61
Additions	1.95
Disposals/write off	-
As at 31st March, 2024	111.56
Accumulated amortisation	
As at 1st April, 2022	109.90
Charge for the year	5.25
Disposals/write off	16.03
As at 31st March, 2023	99.12
Charge for the year	3.13
Disposals/write off	-
As at 31st March, 2024	102.25
Net Block	
As at 31st March, 2023	10.49
As at 31st March, 2024	9.31

8A. Intangible assets under development

Descriptions	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	1.95	-
Add : Additions during the year	-	1.95
Less: Capitalisations during the year	1.95	-
Balance at the end of the year	-	1.95

8A.1 Ageing schedule of Intangible assets under development (IAUD) is as below :

Amount in IAUD for a period of	As at 31st March 2024		As at 31st March 2023	
	Projects in progress	Projects temporarily suspended	Projects in progress	Projects temporarily suspended
Less than 1 Year	-	-	1.95	-
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More than 3 Years	-	-	-	-
Total	-	-	1.95	-

8A.2 There are no projects as on reporting period where activity had been suspended. Also there are no projects as on the reporting period which has exceeded its cost as compared to its original plan or where completion is overdue.

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

(₹ in Lakhs)

9. INVESTMENTS (NON-CURRENT)

Particulars	Face Value per share/bond/unit (₹)	As at 31st March 2024		As at 31st March 2023	
		Shares/Bonds/Units	Amount	Shares/Bonds/Units	Amount
(fully paid-up unless otherwise stated)					
A. INVESTMENTS AT AMORTISED COST					
Investments in Debentures or Bonds (Quoted)					
Housing and Urban Development Corporation Limited					
7.83% Tax Free Bonds, Series B (Option II), 11-NOV-2026	1,00,000	200	200.00	200	200.00
8.51% Tax Free Bonds, Tranche-I, Series 2A, 25-OCT-2028	1,000	20,000	200.00	20,000	200.00
India Infrastructure Finance Company Limited					
8.66% Tax Free Bonds, Tranche II, Series 3A, 22-JAN-2034	1,000	50,000	500.00	50,000	500.00
8.55% Tax Free Bonds, Tranche III, Series 3A, 27-MAR-2034	1,000	30,000	300.00	30,000	300.00
Indian Renewable Energy Development Agency Limited					
8.55% Tax Free Bonds, Tranche I, Series IIIA, 13-MAR-2034	1,000	40,000	400.00	40,000	400.00
National Highway Authority of India					
8.30% Tax Free Bonds, Tranche 1, Series 2 (II), 25-JAN-2027	1,000	4,945	49.45	4,945	49.45
8.50% Tax Free Bonds Tranche I Series IIA, 05-FEB-2029	1,000	40,000	400.00	40,000	400.00
7.28% Tax Free Bonds Series - II B, 18-SEP-2030	10,00,000	20	200.06	20	200.07
National Housing Bank					
8.76% Tax Free Bonds, Tranche I, Series 3A, 13-JAN-2034	5,000	6,166	312.94	6,166	313.25
8.65% Tax Free Bonds, Tranche II Series 3A, 24-MAR-2034	5,000	6,384	319.20	6,384	319.20
NTPC Limited					
8.66% Tax Free Bonds, Series 3A, 16-DEC-2033	1,000	31,665	316.65	31,665	316.65
7.37% Tax Free Bonds, Series 3A, 05-OCT-2035	1,000	4,997	49.97	4,997	49.97
Power Finance Corporation Limited					
8.16% Tax Free Bonds, Series 80B, 25-NOV-2026	1,00,000	400	400.00	400	400.00
7.35% Tax Free Bonds, Series 3A, 17-OCT-2035	1,000	2,567	25.67	2,567	25.67
Rural Electrification Corporation Limited					
8.46% Tax Free Bonds, Tranche I, Series 2A, 24-SEP-2028	1,000	50,000	500.00	50,000	500.00
Subtotal (A)			4,173.94		4,174.26
B. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME					
Investments in Equity Instruments (Unquoted)					
Cheviot International Limited	10	20	- ^	20	- ^
Woodlands Multispeciality Hospital Limited	10	3,190	0.32	3,190	0.32
Subtotal (B)			0.32		0.32

^ Amount below ₹ 500/-

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

(₹ in Lakhs)

Particulars	Face Value per share/ bond/unit (₹)	As at 31st March 2024		As at 31st March 2023	
		Shares/ Bonds/Units	Amount	Shares/ Bonds/Units	Amount
C. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS					
Investments in Mutual Funds (Quoted)					
Edelweiss Mutual Fund					
Bharat Bond ETF - April 2033 - Regular - Growth	1,000	49,997.000	552.67	49,997.000	508.08
Nippon India Mutual Fund					
Nippon India ETF Nifty 50 BeES	1	16,37,000.000	4,043.72	9,34,000.000	1,773.29
SBI Mutual Fund					
SBI ETF Nifty 50	10	50,000.000	116.76	-	-
SBI ETF Nifty Next 50	10	45,000.000	287.10	-	-
Subtotal			5,000.25		2,281.37
Investments in Real Estate Investment Trust (Quoted)					
Brookfield India Real Estate Trust	Not applicable	-	-	1,75,000.000	489.70
Subtotal			-		489.70
Investments in Mutual Funds (Unquoted)					
Aditya Birla Sun Life Mutual Fund					
Aditya Birla Sun Life Nifty SDL April 2027 Index Fund - Direct Plan - Growth	10	49,09,416.744	550.97	49,09,416.744	513.87
Axis Mutual Fund					
Axis Nifty Midcap 50 Index Fund - Direct - Growth	10	76,97,968.570	1,261.40	-	-
Bandhan Mutual Fund					
Bandhan CRISIL Gilt 2028 Index Fund - Direct - Growth	10	93,77,578.987	1,104.25	93,77,578.987	1,026.78
Edelweiss Mutual Fund					
Bharat Bond FOF - April 2030 - Regular - Growth	10	81,61,990.993	1,104.28	81,61,990.993	1,021.17
Bharat Bond FOF - April 2031 - Regular - Growth	10	90,58,708.905	1,096.86	90,58,708.905	1,009.51
Bharat Bond ETF FOF - April 2032 - Regular - Growth	10	1,94,61,658.504	2,209.29	1,94,61,658.504	2,036.02
Bharat Bond ETF FOF - April 2033 - Regular - Growth	10	99,62,084.026	1,109.26	99,62,084.026	1,014.12
Franklin Templeton Mutual Fund					
Franklin India Focused Equity Fund- Direct- Growth	10	14,13,686.269	1,485.23	14,13,686.269	1,051.44
Kotak Mahindra Mutual Fund					
Kotak Nifty SDL April 2027 top 12 Equal Weight Index Fund - Direct Plan - Growth	10	49,57,266.240	550.50	49,57,266.240	513.96
Kotak Nifty SDL April 2032 top 12 Equal Weight Index Fund - Direct Plan - Growth	10	1,95,48,477.228	2,231.11	1,95,48,477.228	2,046.49

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

(₹ in Lakhs)

Particulars	Face Value per share/ bond/ unit (₹)	As at 31st March 2024		As at 31st March 2023	
		Shares/ Bonds/Units	Amount	Shares/ Bonds/Units	Amount
Motilal Oswal Mutual Fund					
Motilal Oswal Nifty Midcap 150 Index Fund - Direct - Growth	10	42,99,659.281	1,372.24	-	-
Motilal Oswal Nifty Smallcap 250 Index Fund - Direct - Growth	10	19,39,866.566	619.74	-	-
Motilal Oswal Nifty Microcap 250 Index Fund - Direct - Growth	10	69,90,826.052	983.66	-	-
SBI Mutual Fund					
SBI Flexicap Fund - Direct Plan - Growth	10	-	-	9,24,551.939	747.00
UTI Mutual Fund					
UTI Nifty Next 50 Index Fund - Direct - Growth	10	52,43,619.491	1,165.19	-	-
Subtotal			16,843.98		10,980.36
Investments in Alternative Investment Funds (Unquoted)					
360 ONE Asset Management Limited					
360 ONE Special Opportunities Fund - Series 5	3.9385	-	- *	20,59,061.861	130.21
360 ONE Special opportunities Fund - Series 7	6.0010	-	- *	9,72,433.108	108.42
IIFL India Housing Fund (previous year face value ₹ 5.2250/unit)	3.6580	55,05,886.415	317.49	55,50,967.360	413.23
BPEA Investment Managers Private Limited #					
BPEA Credit - India Fund III - Scheme F	100	6,75,000.000	713.81	2,55,000.000	255.00
Subtotal			1,031.30		906.86
Subtotal (C)			22,875.53		14,658.29
TOTAL (A+B+C)			27,049.79		18,832.87
Aggregate amount of quoted investments			9,174.19		6,945.33
Aggregate market value of quoted investments			9,957.26		7,875.68
Aggregate amount of unquoted investments			17,875.60		11,887.54

* Current year figures have been shown under Current Investments (Refer note 14) as these are maturing within 12 months from the reporting date.

Refer Note - 43.2 for disclosure on contractual commitment for acquisition of Investments.

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

(₹ in Lakhs)

10. OTHER FINANCIAL ASSETS (NON-CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Security deposits	9.61	9.61
Advances given to employees	5.71	9.01
	15.32	18.62

11. NON-CURRENT TAX ASSETS (NET)

Particulars	As at 31st March 2024	As at 31st March 2023
Advance income tax and refund due (net of provision)	172.49	126.97
	172.49	126.97

12. OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2024	As at 31st March 2023
Capital advances	183.64	27.10
Others		
- Prepaid expenses	18.05	5.10
- Indirect tax refundable	37.87	29.81
	239.56	62.01

13. INVENTORIES

Particulars	As at 31st March 2024	As at 31st March 2023
(Valued at lower of cost and net realisable value)		
Raw materials	5,540.51	5,407.19
Work-in-progress	1,532.88	1,740.52
Finished goods	3,003.28	2,302.39
Stores and spares (Refer Note - 1 Below)	585.72	579.73
Loose tools	1.74	2.35
	10,664.13	10,032.18
The above includes goods in transit as under:		
Finished goods	1,158.47	305.12
	1,158.47	305.12

- 1) The Company has expensed inventory of ₹ 4.63 (31st March 2023 - ₹ 3.94) for writing down the value of inventories towards slow moving, non-moving and obsolete inventory.
- 2) Mode of valuation - Refer Note 3.1 of material accounting policies.
- 3) Refer Note - 26 for information on hypothecation of inventories.

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

14. INVESTMENTS (CURRENT)

(₹ in Lakhs)

Particulars	Face Value per share/ bond/unit (₹)	As at 31st March 2024		As at 31st March 2023	
		Shares/Bonds/ Units	Amount	Shares/ Bonds/Units	Amount
(fully paid-up unless otherwise stated)					
A. INVESTMENTS AT AMORTISED COST					
Investments in Debentures or Bonds (Quoted)					
NTPC Limited					
8.41% Tax Free Bonds, Series 1A, 16-DEC-2023	1,000	-	-	1,50,000	1,533.67
Subtotal			-		1,533.67
Investments in Debentures or Bonds (Unquoted)					
Navayuga Engineering Company Limited					
10.50% Secured, redeemable, non convertible debentures, Series 3 (put option on or after 1st August, 2024)	10,00,000	100	994.15	-	-
Subtotal			994.15		-
Investments in Preference Share (Quoted)					
Infrastructure Leasing and Financial Services Limited #					
16.46% Non-Convertible Redeemable Cumulative Preference Shares	7,500	1,360	204.00	1,360	204.00
Less: Impairment in value of investments			(204.00)		(204.00)
Subtotal			-		-
Subtotal (A)			994.15		1,533.67
B. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS					
Investments in Mutual Funds (Quoted)					
HDFC Mutual Fund					
HDFC FMP 3360D March 2014 (1) Series 30 - Regular - Growth	10	-	-	84,00,000.000	1,550.31
Subtotal			-		1,550.31
Investments in Mutual Funds (Unquoted)					
Aditya Birla Sun Life Mutual Fund					
Aditya Birla Sun Life Liquid Fund - Direct - Growth	100	90,513.212	352.71	90,513.212	328.64
Axis Mutual Fund					
Axis Liquid Fund - Direct - Growth	1,000	-	-	72,561.590	1,814.68
ICICI Prudential Mutual Fund					
ICICI Prudential Liquid Fund - Direct - Growth	100	97,899.931	349.90	97,899.931	326.19
Kotak Mahindra Mutual Fund					
Kotak Equity Arbitrage Fund -Direct - Growth	10	56,11,057.758	2,041.65	22,63,049.037	759.21

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

(₹ in Lakhs)

Particulars	Face Value per share/ bond/unit (₹)	As at 31st March 2024		As at 31st March 2023	
		Shares/ Bonds/Units	Amount	Shares/ Bonds/Units	Amount
Nippon India Mutual Fund					
Nippon India Arbitrage Fund - Direct Plan Growth	10	-	-	20,76,977.113	501.36
SBI Mutual Fund					
SBI Arbitrage Opportunities Fund - Direct Plan - Growth	10	31,78,169.351	1,040.34	-	-
Subtotal			3,784.60		3,730.08
Investments in Alternative Investment Funds (Unquoted)					
360 ONE Asset Management Limited					
360 ONE Special Opportunities Fund (previous year face value ₹ 3.6870 /unit)	0.5960	18,60,518.129	29.44	18,60,518.129	124.41
360 ONE Special Opportunities Fund - Series 5	2.8480	20,59,061.861	107.49 *	-	-
360 ONE Special opportunities Fund - Series 7	5.2110	9,72,433.108	109.83 *	-	-
Subtotal			246.76		124.41
Subtotal (B)			4,031.36		5,404.80
TOTAL (A+B)			5,025.51		6,938.47
Aggregate amount of quoted investments			-		3,083.98
Aggregate market value of quoted investments			-		3,084.21
Aggregate amount of unquoted investments			5,025.51		3,854.49
Aggregate amount of impairment in value of investments			204.00		204.00

* Represents transfer from non-current investments (Refer note 9) as these are maturing within 12 months from the reporting date.
Investment in preference shares with Infrastructure Leasing and Financial Services Limited (IL&FS Limited) were due for redemption on 15th October 2022. IL&FS Limited has earlier defaulted in paying dividend and maturity amount on its redemption. The matter of IL&FS Limited is pending before NCLT and NCLAT, New Delhi. The investments in preference shares have not been written off as the Company still holds the same in its demat account.

15. TRADE RECEIVABLES

Particulars	As at 31st March 2024	As at 31st March 2023
Trade receivables considered good - Secured	457.72	41.62
Trade receivables considered good - Unsecured	2,560.69	3,342.98
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Allowance for doubtful receivables	-	-
	3,018.41	3,384.60

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

15.1 Ageing schedule of trade receivables is as below :

(₹ in Lakhs)

As at 31st March, 2024

Particulars	Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	2,586.61	431.80	-	-	-	-	3,018.41
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	2,586.61	431.80	-	-	-	-	3,018.41

As at 31st March, 2023

Particulars	Not Due	Outstanding for following periods from due date of Payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	3,178.24	206.36	-	-	-	-	3,384.60
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
	3,178.24	206.36	-	-	-	-	3,384.60

15.1 There are no unbilled trade receivables at each reporting date.

15.2 There are no amount receivable from directors and officers of the Company either severally or jointly with any other person. Further, no amount is receivable from firms or private companies respectively in which any director is a partner or a director or a member.

15.3 Refer Note - 26 for information on hypothecation of trade receivables.

15.4 Refer Note - 53.3(a)(i) for disclosure on credit risk.

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

(₹ in Lakhs)

16. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2024	As at 31st March 2023
Balances with banks		
- in current accounts	6.07	127.14
- in cash credit sub-limit accounts	113.91	228.32
Cash on hand	3.44	3.00
	123.42	358.46

17. OTHER BANK BALANCES OTHER THAN NOTE - 16

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed deposits having maturity less than 12 months from balance sheet date	-	325.00
Unpaid dividend accounts	170.70	175.90
Fractional bonus share account	0.79	0.80
	171.49	501.70

18. OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Interest accrued on investments and fixed deposits	101.50	112.09
Export incentives receivable	99.48	115.16
Security deposits	180.00	60.00
Advances given to employees	11.43	8.07
Other receivables *	38.35	31.29
	430.76	326.61

* Includes primarily amount receivable against investment income, insurance premium refundable.

19. OTHER CURRENT ASSETS

Particulars	As at 31st March 2024	As at 31st March 2023
Advance against supply of goods and services	115.78	98.17
Others		
-Excess of plan assets over defined benefit obligation (Refer Note - 46.2)	-	254.61
-Balances with Government authorities	125.88	129.95
-Prepaid expense	199.81	246.42
-Indirect tax refundable	33.38	40.64
-Other advances	34.06	6.02
	508.91	775.81

There are no outstanding debts from directors or other officers of the Company either severally or jointly with any other person. Further, no amount is receivable from firms or private companies respectively in which any director is a partner or a director or a member.

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

(₹ in Lakhs)

20. EQUITY SHARE CAPITAL

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised share capital				
Ordinary shares of ₹ 10/- each	70,00,000	700.00	70,00,000	700.00
Issued and subscribed share capital				
Ordinary shares of ₹ 10/- each fully paid up	60,16,875	601.69	60,16,875	601.69
Ordinary shares of ₹ 10/- each not fully paid up and forfeited (amount originally paid up)		0.35		0.35
	60,16,875	602.04	60,16,875	602.04

a) Reconciliation of the number of ordinary shares at the beginning and at the end of the year

Particulars	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	60,16,875	601.69	60,16,875	601.69
Less : Changes in equity share capital during the year	-	-	-	-
At the end of the year	60,16,875	601.69	60,16,875	601.69

b) Terms/ rights attached to ordinary shares :

The Company has only one class of ordinary shares having a par value of ₹ 10/- per share. Each holder of ordinary shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of Directors is subject to the approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of ordinary shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of ordinary shares held by the shareholders.

c) Shareholding pattern with respect of Holding Company

Name of shareholders	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary shares of ₹ 10/- each, fully paid up				
Harsh Investments Private Limited	38,27,491	63.61%	38,27,491	63.61%

d) Details of shareholders holding more than 5% shares in the Company

Name of shareholders	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary shares of ₹ 10/- each, fully paid up				
Harsh Investments Private Limited (Holding Company)	38,27,491	63.61%	38,27,491	63.61%
Mr. Harsh Vardhan Kanoria	4,44,867	7.39%	4,44,867	7.39%

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

(₹ in Lakhs)

e) Details of Promoters' shareholding in the Company

Name of Promoter and Promoter Group	% change during the year	As at 31st March 2024		As at 31st March 2023	
		No of Shares	% of Total Shares	No. of Shares	% of Total Shares
Harsh Investments Private Limited (Holding Company)	-	38,27,491	63.61%	38,27,491	63.61%
Mr. Harsh Vardhan Kanoria	-	4,44,867	7.39%	4,44,867	7.39%
Mrs. Malati Kanoria	-	7,546	0.13%	7,546	0.13%
Mr. Utkarsh Kanoria	-	2,20,422	3.66%	2,20,422	3.66%
Abhyadoot Finance and Investments Private Limited	-	557	0.01%	557	0.01%
Cheviot Agro Industries Private Limited	-	1,214	0.02%	1,214	0.02%
Cheviot International Limited	-	197	-	197	-

There is no change in promoters' shareholding during the year.

As per records of the Company, including its register of shareholders/members as on 31st March, 2024, the above shareholding represents legal ownership of shares.

- f) The Company had bought back 2,00,000 ordinary shares of face value of ₹ 10/- each during the financial year 2020-21 and 2,50,000 ordinary shares of face value of ₹ 10/- each during the financial year 2021-22.
- g) The Board of Directors of the Company at their meeting held on Friday, 24th May, 2024 have approved to Buy-Back of up to 1,75,000 fully paid-up Ordinary Shares of the Company of face value of ₹ 10/- each, representing 2.91% of the present total number of fully paid-up Ordinary Share Capital of the Company, at a price of ₹ 1,800/- per Ordinary Share payable in cash for an aggregate maximum amount of ₹ 3,150.
- h) The Company had issued and allotted 21,55,625 bonus ordinary shares of face value of ₹ 10/- each during the financial year 2018-19.
- i) No ordinary shares have been reserved for issue under options and contracts/commitments for the sale of shares disinvestment as at the Balance Sheet date.
- j) No securities convertible into equity/preference shares have been issued by the Company during the year.
- k) No calls are unpaid by any director or officer of the Company during the year.

21. OTHER EQUITY

Particulars	Note Reference	As at 31st March 2024	As at 31st March 2023
Capital reserve	21.1	0.24	0.24
General reserve	21.2	32,752.97	32,752.97
Capital redemption reserve	21.3	74.92	74.92
Retained earnings	21.4	18,407.22	13,210.68
Other comprehensive income reserve	21.5	10,741.05	10,640.09
		61,976.40	56,678.90

21.1 Capital reserve

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	0.24	0.24
Add: Changes during the year	-	-
Balance at the end of the year	0.24	0.24

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

(₹ in Lakhs)

21.2 General reserve

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	32,752.97	32,752.97
Add: Changes during the year	-	-
Balance at the end of the year	32,752.97	32,752.97

21.3 Capital redemption reserve

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	74.92	74.92
Add: Changes during the year	-	-
Balance at the end of the year	74.92	74.92

21.4 Retained earnings

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year	13,210.68	11,312.50
Add: Profit for the year	6,939.38	5,446.12
Add: Transfer from other comprehensive income - Remeasurements of the defined benefit plans (net of tax)	(118.28)	62.19
Less: Appropriations		
Dividend for F.Y.2022-23, ₹ 27/- per ordinary share (F.Y 2021-22, dividend of ₹ 60/- per ordinary share)	1,624.56	3,610.13
Balance at the end of the year	18,407.22	13,210.68

21.5 Other comprehensive income reserve

Particulars	As at 31st March 2024	As at 31st March 2023
a) Revaluation surplus		
Balance at the beginning of the year (net of deferred tax)	10,640.09	10,556.95
Add : Change during the year	-	-
Less: Impact of deferred tax	(100.96)	(83.14)
Balance at the end of the year	10,741.05	10,640.09
b) Remeasurements of the defined benefit plans		
Balance at the beginning of the year	-	-
Add: Remeasurement gain/(loss)	(158.06)	83.10
Less: Current tax on above	(39.78)	20.91
Less: Transferred to retained earnings	(118.28)	62.19
Balance at the end of the year	-	-
Total of other comprehensive income reserve (a + b)	10,741.05	10,640.09

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

(₹ in Lakhs)

Nature and purpose of other equity

Capital reserve

Capital reserve represents capital profits appropriated as per erstwhile Companies Act, 1956 arising on sale of fixed assets during the year ended 30th November, 1985 and 31st March, 1992. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

General Reserve represents the reserve created through annual transfer of net profit at a specified percentage in accordance with the provisions of the erstwhile Companies Act, 1956. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn, though the Company may voluntarily transfer such percentage of its profits for the financial year, as it may consider appropriate. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

Capital redemption reserve represents the reserve created during the year ended 30th November, 1981 as a result of redemption of cumulative preference share capital of the Company. Further, the Company has recognised capital redemption reserve on Buy-back of ordinary shares from the General reserve during financial year ended 31st March, 2018, 31st March, 2021 and 31st March, 2022 with the nominal amount of the ordinary shares bought back as per the applicable provisions of the Companies Act, 2013. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings represents the cumulative profits of the Company after appropriation. Retained earnings can be utilised in accordance with the provisions of the Companies Act, 2013.

Other comprehensive income reserve

Revaluation surplus

Revaluation surplus represents the gain/(loss), net of deferred tax, on revaluation of freehold land. The same is not available for distribution to the shareholders.

Remeasurements of the defined benefit plans

Remeasurements of the defined benefit plans comprises actuarial gains and losses and remeasurements of return on plan asset (excluding interest income) which are recognised in other comprehensive income and then immediately transferred to retained earnings.

22. LEASE LIABILITIES (NON-CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease liabilities (Refer Note - 50)	0.04	16.10
	0.04	16.10

23. PROVISIONS (NON-CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for leave	59.06	55.90
	59.06	55.90

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

(₹ in Lakhs)

24. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred tax liabilities		
Arising on account of:		
Depreciable assets (including ROU)	466.71	402.95
Fair value gain on financial instruments (net)	431.74	215.95
On revaluation of freehold land	507.74	608.70
	1,406.19	1,227.60
Deferred tax assets		
Arising on account of:		
Disallowances under the Income Tax Act, 1961	72.35	67.78
Mark to market loss on derivative financial instruments (net)	1.33	1.25
Deferred revenue grant	4.03	7.28
Lease liabilities	4.05	13.77
	81.76	90.08
Deferred Tax Liabilities (Net)	1,324.43	1,137.52

24.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2023 and 31st March, 2024

Particulars	As at 1st April 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income *	As at 31st March 2023
Deferred tax liabilities				
Arising on account of:				
Depreciable assets (including ROU)	337.61	65.34	-	402.95
Fair value gain on financial instruments (net)	336.69	(120.74)	-	215.95
Mark to market gain on derivative financial instruments (net)	7.20	(7.20)	-	-
On revaluation of freehold land	691.84	-	(83.14)	608.70
	1,373.34	(62.60)	(83.14)	1,227.60
Deferred tax assets				
Arising on account of:				
Disallowances under the Income Tax Act, 1961	50.67	17.11	-	67.78
Mark to market loss on derivative financial instruments (net)	-	1.25	-	1.25
Deferred revenue grant	11.52	(4.24)	-	7.28
Lease liabilities	20.50	(6.73)	-	13.77
	82.69	7.39	-	90.08
	1,290.65	(69.99)	(83.14)	1,137.52

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

(₹ in Lakhs)

Particulars	As at 1st April 2023	Recognised in statement of profit and loss	Recognised in other comprehensive income *	As at 31st March 2024
Deferred tax liabilities				
Arising on account of :				
Depreciable assets (including ROU)	402.95	63.76	-	466.71
Fair value gain on financial instruments (net)	215.95	215.79	-	431.74
On revaluation of freehold land	608.70	-	(100.96)	507.74
	1,227.60	279.55	(100.96)	1,406.19
Deferred tax assets				
Arising on account of :				
Disallowances under the Income Tax Act, 1961	67.78	4.57	-	72.35
Mark to market loss on derivative financial instruments (net)	1.25	0.08	-	1.33
Deferred revenue grant	7.28	(3.25)	-	4.03
Lease liabilities	13.77	(9.72)	-	4.05
	90.08	(8.32)	-	81.76
	1,137.52	287.87	(100.96)	1,324.43

* Excludes (₹ 39.78) (F.Y. 2022-23 ₹ 20.91) being income tax on remeasurements of the defined benefit plans considered as current tax.

25. OTHER NON-CURRENT LIABILITIES

Particulars	As at 31st March 2024	As at 31st March 2023
Deferred revenue grant	13.17	15.61
	13.17	15.61

25 (i) Movement of deferred revenue grant

Particulars	As at 31st March 2024	As at 31st March 2023
Balance at the beginning of the year (Non-current and current)	28.94	45.78
Add: Addition during the year	-	-
Less: Reversed during the year	-	-
Less: Released to statement of profit and loss (Refer Note - 33)	12.91	16.84
Balance at the end of the year (Non-current and current)	16.03	28.94
Non-current deferred revenue	13.17	15.61
Current portion of deferred revenue (Refer Note - 30)	2.86	13.33

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

(₹ in Lakhs)

26. BORROWINGS (CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Working capital loan (secured, at amortised cost)		
From Axis Bank Limited:		
- Cash credit	876.70	617.97
Current maturities of long term borrowings from Export Import Bank of India	-	7.41
	876.70	625.38

Terms and conditions :

- Cash Credit is secured by hypothecation of entire current assets of the Company on first charge basis and all movable fixed assets located at Budge Budge on second charge basis, both present and future. The loan is further secured by mortgage of immovable properties located at Budge Budge on second charge basis.
- Cash credit is repayable on demand and carries interest @ 3 month MCLR plus 0.15 % p.a., present effective rate 9.35 % p.a. (31st March, 2023 : 8.95 % p.a)
- No loans have been guaranteed by the directors of the Company.
- There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.
- The quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of account.

27. LEASE LIABILITIES (CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Lease liabilities (Refer Note - 50)	16.06	38.65
	16.06	38.65

28. TRADE PAYABLES

Particulars	As at 31st March 2024	As at 31st March 2023
Total outstanding dues of micro enterprises and small enterprises (Refer Note 44)	3.18	6.11
Total outstanding dues of creditors other than micro enterprises and small enterprises #	1,047.43	500.87
	1,050.61	506.98

Includes outstanding dues of directors and other related parties of the Company of ₹ 22.50 (31st March, 2023 ₹ 22.50). (Refer Note - 51.2)

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

(₹ in Lakhs)

28.1 Ageing schedule of trade payable is as below :

As at 31st March, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	1.16	2.02	-	-	-	-	3.18
(ii) Undisputed dues - Others	453.75	587.34	5.32	0.42	0.10	0.50	1,047.43
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	454.91	589.36	5.32	0.42	0.10	0.50	1,050.61

As at 31st March, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues - MSME	0.29	5.82	-	-	-	-	6.11
(ii) Undisputed dues - Others	244.13	248.00	7.67	0.28	0.51	0.28	500.87
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	244.42	253.82	7.67	0.28	0.51	0.28	506.98

29. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Unpaid dividends*	170.70	175.90
Fractional bonus share proceeds unclaimed	0.79	0.80
Capital creditors ^	-	222.18
Security deposits from contractors	-	32.25
Employee related liabilities #	1,123.81	1,391.50
Mark to market loss on derivative financial instruments (net)	5.28	4.95
Others @	14.86	17.81
	1,315.44	1,845.39

* No amounts are due and outstanding to be credited to Investor Education and Protection Fund.

^ Includes ₹ Nil (31st March, 2023 ₹ 148.58) in respect of retention money.

Includes outstanding dues of directors and officers of the Company of ₹ 420.84 (31st March, 2023 ₹ 701.68).

@ Includes outstanding dues of director and officer of the Company of ₹ 9.12 (31st March, 2023 ₹ 2.43).

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

(₹ in Lakhs)

30. OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2024	As at 31st March 2023
Advance from customers	334.36	198.19
Deferred revenue grant (Refer Note - 25(i))	2.86	13.33
Statutory dues payable	151.20	146.77
Others	2.50	2.50
	490.92	360.79

31. PROVISIONS (CURRENT)

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for gratuity (Refer Note - 46.2)	87.10	-
Provision for leave	225.00	209.97
	312.10	209.97

32. CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March 2024	As at 31st March 2023
Provision for taxation (net of payments)	14.57	100.39
	14.57	100.39

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

(₹ in Lakhs)

33. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Sale of products :		
Finished goods (Refer Note - 48)	45,955.44	55,998.93
	45,955.44	55,998.93
Other operating revenues		
Export incentives	228.43	254.86
Income from deferred revenue grant	12.91	16.84
Scrap sale	76.65	88.21
Insurance claim	6.87	-
	324.86	359.91
	46,280.30	56,358.84

34. OTHER INCOME

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest income #		
On investments	620.74	716.12
On fixed deposits with banks	5.83	45.30
On income tax refund	49.83	-
	676.40	761.42
Dividend income from investments measured at FVTPL	5.82	4.17
Other non operating income		
Net gain on fair value changes of investments measured at FVTPL	2,905.05	323.12
Net gain/(loss) on sale of investments	396.89	(106.86)
Profit on sale of property, plant and equipment (net)	14.11	45.84
Profit on sale of an investment property	485.09	-
Liabilities no longer required written back	3.41	6.23
Other non operating income	13.26	38.24
	3,817.81	306.57
	4,500.03	1,072.16
# Interest income comprises interest from :		
Financial assets measured at amortised cost	520.04	656.98
Other financial assets measured at FVTPL	100.70	59.14
Deposits with banks - carried at amortised cost	5.83	45.30
Interest on income tax refund	49.83	-
	676.40	761.42

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

(₹ in Lakhs)

35. COST OF MATERIALS CONSUMED

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Raw jute	25,208.62	31,021.59
Jute yarn	681.22	1,754.24
	25,889.84	32,775.83

36. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Opening stock		
Finished goods	2,302.39	2,384.87
Work-in-progress	1,740.52	1,384.16
	4,042.91	3,769.03
Closing stock		
Finished goods	3,003.28	2,302.39
Work-in-progress	1,532.88	1,740.52
	4,536.16	4,042.91
(Increase)/decrease	(493.25)	(273.88)

37. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Salaries, wages and bonus	6,719.45	6,850.01
Contribution to provident and other funds (Refer Note - 46)	874.76	865.17
Staff welfare expenses	65.15	56.62
	7,659.36	7,771.80

38. FINANCE COSTS

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Interest expenses		
- On borrowings	13.76	12.15
- On lease liabilities	2.72	5.57
- On others *	12.88	7.65
Other borrowing costs	7.40	8.67
	36.76	34.04

* Includes interest on income tax ₹ 12.21 (F.Y. 2022-23 ₹ 1.05)

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

(₹ in Lakhs)

39. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
On property, plant and equipment	621.18	400.70
On right of use assets	36.05	32.24
On investment property	0.28	0.45
On intangible assets	3.13	5.25
	660.64	438.64

40. OTHER EXPENSES

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Consumption of stores and spare parts	2,672.37	2,663.07
Power and fuel *	2,022.56	1,875.24
Processing charges	865.00	980.95
Rent	5.82	5.81
Rates and taxes	35.20	37.86
Repairs to buildings	279.36	168.93
Repairs to machinery	98.45	110.64
Repairs to others	31.47	9.82
Insurance	198.46	181.82
Expenditure towards CSR (Refer Note - 49)	143.01	139.81
Freight and delivery charges	1,488.73	2,645.26
Net (gain)/loss on foreign currency transactions and translations (other than considered as finance cost)	(11.84)	128.81
Mark to market loss on derivative financial instruments (net)	5.28	4.95
Property, plant and equipment and other intangible assets written off	3.92	2.58
Directors' sitting fees and commission	26.70	26.90
Payments to auditors (refer note below)	12.53	12.59
Miscellaneous expenses	659.60	543.08
	8,536.62	9,538.12
Payments to auditors :		
(a) for audit services	7.75	7.75
(b) for other services	4.40	4.45
(c) for reimbursement of expenses	0.38	0.39
	12.53	12.59

* Net of revenue grant received amounting to ₹ 12.83 (F.Y. 2022-23 ₹ 14.52).

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

(₹ in Lakhs)

41. TAX EXPENSE

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Amount recognised in profit and loss		
Current Tax		
Income tax for the year	1,268.00	1,774.00
Income tax related to earlier years (net)	(4.89)	(3.68)
Total current tax	1,263.11	1,770.32
Deferred tax		
Deferred tax for the year	287.87	(69.99)
Total deferred tax	287.87	(69.99)
	1,550.98	1,700.33
B. Amount recognised in other comprehensive income		
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:		
On items that will not be reclassified to profit or loss		
(i) Relating to revaluation surplus		
Current tax	-	-
Deferred tax	100.96	83.14
(ii) Remeasurements of the defined benefit plans		
Current tax	39.78	(20.91)
Deferred tax	-	-
	140.74	62.23

41.1 Reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss :

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit before tax	8,490.36	7,146.45
Indian statutory income tax rate	25.168%	25.168%
Estimated income tax expense	2,136.85	1,798.62
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	(113.60)	(128.09)
Deduction under Chapter VIA of the Income Tax Act, 1961	(1.09)	(4.49)
Expenses disallowed or considered separately	54.54	55.56
Income taxable at special rates	(523.48)	(20.80)
Income tax related to earlier years (net)	(4.89)	(3.68)
Others	2.65	3.21
Total tax effect	(585.87)	(98.29)
Tax expense recognised in statement of profit and loss	1,550.98	1,700.33

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

(₹ in Lakhs)

42. EARNINGS PER EQUITY SHARE

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit as per statement of profit and loss attributable to shareholders (a)	6,939.38	5,446.12
Weighted average number of ordinary shares (in number) (b)	60,16,875	60,16,875
Basic and diluted earnings per share (a/b) (nominal value - ₹ 10/- per share) (in ₹)	115.33	90.51

43 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

43.1 Contingent Liabilities :

a) Claims against the Company not acknowledged as debts :

Particulars	As at 31st March 2024	As at 31st March 2023
Income tax in dispute and under appeal (Against this ₹ 35.84 (31st March, 2023 ₹ 29.53) has been deposited/ adjusted against refund)	248.52	173.46

43.2 Capital and other commitments :

Particulars	As at 31st March 2024	As at 31st March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) :		
Against property, plant and equipment	109.18	255.67
Undrawn capital commitment against investments	825.00	1,245.00

44. DETAILS OF DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006 INCLUDED IN TRADE PAYABLES

Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015

Particulars	As at 31st March 2024	As at 31st March 2023
i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	3.18	6.11
- Towards principal amount	3.18	6.11
- Towards interest on above	-	-
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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

(₹ in Lakhs)

45. DIVIDEND

The Board of Directors at its meeting held on 24th May, 2024 have recommended a payment of dividend of ₹ 5/- (F.Y. 2022-23 ₹ 27/-) per ordinary share on 60,16,875 ordinary shares of face value of ₹ 10/- each amounting to ₹ 300.84 for the financial year ended 31st March, 2024.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.

46 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD - 19 'EMPLOYEE BENEFITS' AS NOTIFIED U/S 133 OF THE COMPANIES ACT, 2013

46.1 Defined Contribution Plans:

The Company has during the year recognised an expense of ₹ 641.11 (F.Y. 2022-23 ₹ 639.02) towards defined contribution plans.

Out of the total contribution, made for employees' provident fund, a sum of ₹ 101.09 (F.Y. 2022-23 ₹ 98.01) has been made to Cheviot Company Limited Employees' Provident Fund while the remaining contribution has been made to the provident fund plan operated by the Regional Provident Fund Commissioner. Further, considering the past track and fair value of the plan assets of the Trust, the Company does not envisage any shortfall in liability towards the interest payable by the Trust at the notified interest rate.

46.2 Defined Benefit Plans:

Gratuity Plan

This is a funded defined benefit plans for qualifying employees. The Company makes contributions to the Cheviot Company Limited Employees' Gratuity Trust Fund. Gratuity is payable to all eligible employees of the Company on superannuation, death, permanent disablement and on resignation/termination of employment in terms of the provisions of the Payment of Gratuity Act or as per the Company's rule, whichever is more beneficial to the employee.

a) Risk Exposure

Defined benefit plans expose the Company to actuarial risks such as: Interest rate risk, Salary risk and Demographic risk.

- i) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.
- ii) **Salary risk:** Higher than expected increase in salary will increase the defined benefit obligation.
- iii) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis, the retirement benefit of the short service employee typically costs less per year as compared to a long service employee.

b. Changes in present value of obligation

Particulars	Gratuity (Funded)	
	For the year ended 31st March 2024	For the year ended 31st March 2023
Defined benefit obligation at the beginning of the year	2,644.26	2,486.77
Current service cost	247.10	250.11
Interest cost on defined benefit obligation	191.71	175.32
Actuarial gain and losses arising from		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	42.65	(28.61)
- Experience adjustment	230.91	(123.67)
Benefits paid	(188.26)	(115.66)
Present value of defined benefit obligation at the end of the year	3,168.37	2,644.26

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

(₹ in Lakhs)

c) Changes in fair value of the plan assets

Particulars	Gratuity (Funded)	
	For the year ended 31st March 2024	For the year ended 31st March 2023
Fair value of plan assets at the beginning of the year	2,898.87	2,884.43
Interest income on plan assets	205.16	199.28
Actuarial gain/(loss) through other comprehensive income	115.50	(69.18)
Employer contributions to the plan	50.00	-
Benefits paid from the plan assets	(188.26)	(115.66)
Fair value of plan assets at the end of the year	3,081.27	2,898.87

d) Net asset/(liability) recognised in the Balance Sheet

Particulars	Gratuity (Funded)	
	As at 31st March 2024	As at 31st March 2023
Present value of defined benefit obligation	3,168.37	2,644.26
Fair value of plan assets	3,081.27	2,898.87
Net asset/(liability) recognised in the Balance Sheet	(87.10)	254.61

e) Expenses recognised in statement of profit and loss

Particulars	Gratuity (Funded)	
	For the year ended 31st March 2024	For the year ended 31st March 2023
Current service cost	247.10	250.11
Interest cost	191.71	175.32
Interest income on plan assets	(205.16)	(199.28)
Total expenses recognised in statement of profit and loss	233.65	226.15

f) Remeasurements recognised in other comprehensive income

Particulars	Gratuity (Funded)	
	For the year ended 31st March 2024	For the year ended 31st March 2023
Remeasurement (gain)/loss in other comprehensive income due to		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	42.65	(28.61)
- Experience adjustment	230.91	(123.67)
- Return on plan assets (excluding interest)	(115.50)	69.18
	158.06	(83.10)

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

(₹ in Lakhs)

g) Composition of plan assets

Particulars	Gratuity (Funded)	
	As at 31st March 2024	As at 31st March 2023
Government of India/ Government of India guaranteed securities	11.71%	14.69%
State Government/ State Government guaranteed securities	37.63%	39.42%
Bonds	30.89%	31.70%
Units of equity linked scheme of mutual fund	16.98%	11.57%
Cash at bank and receivables (net)	2.79%	2.62%
	100.00%	100.00%

h) Actuarial Assumptions

Particulars	Gratuity (Funded)	
	As at 31st March 2024	As at 31st March 2023
Financial Assumptions		
Discount rate	7.10%	7.25%
Salary escalation rate	7.50%	7.50%
Demographic Assumptions		
Mortality rate	IALM (2012-14) Table Ultimate	IALM (2012-14) Table Ultimate
Withdrawal rate	1% to 8%	1% to 8%
Retirement age	55-72 years	55-71 years

- i) The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- j) At 31st March, 2024, the weighted average duration of the defined benefit obligation was 4.14 years (31st March, 2023 - 4.68 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Particulars	Gratuity (Funded)
Expected benefits payment for the year ending on	
31st March 2025	387.03
31st March 2026	332.86
31st March 2027	182.34
31st March 2028	192.96
31st March 2029	76.89
31st March 2030 to 31st March 2034	501.36

- k) The Company expects to contribute ₹ 87.10 to its gratuity fund in F.Y. 2024-25.

l) Sensitivity Analysis

The sensitivity analysis below 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 end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation to the amounts shown below:

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

(₹ in Lakhs)

Particulars	Gratuity (Funded)	
	As at 31st March 2024	As at 31st March 2023
Effect on DBO due to 1% increase in discount rate	2,941.16	2,440.44
Effect on DBO due to 1% decrease in discount rate	3,427.26	2,861.08
Effect on DBO due to 1% increase in salary escalation rate	3,422.57	2,870.09
Effect on DBO due to 1% decrease in salary escalation rate	2,941.08	2,429.26
Effect on DBO due to 1% increase in withdrawal rate	3,157.59	2,628.47
Effect on DBO due to 1% decrease in withdrawal rate	3,177.92	2,643.18

47. SEGMENT REPORTING

47.1 Segment information

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The Chief Executive Officer of the Company being the CODM, assesses the financial performance and position of the Company and makes strategic decisions. The CODM primarily uses earnings before interest, tax, depreciation and amortisation (EBITDA) as performance measure to assess the performance of the operating segments. However, the CODM also receives information about the segment revenues, segment assets and segment liabilities on regular basis.

47.2 Description of Segment

The Company is engaged in a single business segment i.e. manufacturing and sale of jute goods. Hence, disclosure requirements as required by Ind AS -108 are not applicable in respect of business segment.

47.3 The geographical segments considered for disclosure are as under:

Particulars	For the year ended 31st March 2024			For the year ended 31st March 2023		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue*	31,179.42	14,776.02	45,955.44	36,658.87	19,340.06	55,998.93
Non-current assets other than financial instruments**	21,043.80	-	21,043.80	21,024.30	-	21,024.30

* Revenue outside India includes USA ₹ 4,404.80 (F.Y. 2022-23 ₹ 5,799.95).

** Non-current assets other than financial instruments include property, plant and equipment, capital work-in-progress, right of use assets, investment property, other intangible assets, intangible assets under development, non-current tax assets (net) and other non-current assets.

47.4 Extent of reliance on major customer

Revenue from government agencies amounting to ₹ 21,781.90 (47.40% of total revenue); F.Y. 2022-23 ₹ 31,570.69 (56.38% of total revenue) has arisen on sale of jute bags within India.

48. DISCLOSURES PURSUANT TO IND AS - 115

48.1 Nature of goods and services : The Company is engaged in the manufacturing and sale of jute products and the same is only reportable segment of the Company.

48.2 Disaggregation of revenue : In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition, etc:

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

(₹ in Lakhs)

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
A. Primary geographical markets		
Within India	31,179.42	36,658.87
Outside India	14,776.02	19,340.06
Total	45,955.44	55,998.93
B. Major products		
Jute products	45,955.44	55,998.93
Total	45,955.44	55,998.93

C. The Company recognises revenue at a point in time. The contract with customers are of short term duration and all sales are direct to customers.

48.3 Contract balances: The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	As at 31st March 2024	As at 31st March 2023
Receivables, which are included in 'Trade receivables' (Refer Note - 15)	3,018.41	3,384.60
Contract assets	-	-
Contract liabilities (Refer Note - 30)	334.36	198.19
Total (Assets - Liabilities)	2,684.05	3,186.41

48.4 Other information :

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(i) Transaction price allocated to the remaining performance obligations	Nil	Nil
(ii) The amount of revenue recognised in the current year that was included in the opening contract liability balance (net of refund)	60.79	0.18
(iii) The amount of revenue recognised in the current year from performance obligations satisfied (or partially satisfied) in previous years	Nil	Nil
(iv) Performance obligations	The Company satisfy the performance obligation on shipment / delivery.	The Company satisfy the performance obligation on shipment / delivery.
(v) Significant payment terms	The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. There is no significant financing component in any transaction with the customers.	The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. There is no significant financing component in any transaction with the customers.

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

(₹ in Lakhs)

49 DISCLOSURES OF CORPORATE SOCIAL RESPONSIBILITY (CSR) :-

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
(i) Amount required to be spent by the company during the year	142.52	139.37
(ii) Amount of expenditure incurred on:		
(a) Construction/acquisition of any asset	-	-
(b) On other purposes other than (a) above (Refer Note - 40)	143.01	139.81
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities	Education, Healthcare, Nationally Recognised Sports, Benefit of armed forces dependents, Animal welfare	Education, Healthcare, Nationally Recognised Sports, Benefit of armed forces dependents
(vii) Related party transaction as per Ind AS 24 in relation to CSR expenditure	-	-
(viii) Provision made	-	-

50 LEASES

- I. The Company has factory land located at Falta SEZ on operating lease which was renewed for a period of five years commencing from August, 2019 on fixed rental basis with an option to further renew at the end of lease period. In addition to the above, the Company has another leasehold land under finance lease arrangements for term of 99 years which was reclassified from property, plant and equipment to right of use assets in earlier year.

The changes in the carrying value of right of use assets for the year ended 31st March, 2024 are disclosed in Note 6.

- II. Expenses recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Rent		
Expense relating to short-term leases	5.28	5.28
Expense relating to low value leases	0.54	0.53
Finance cost		
Interest expense on lease liabilities	2.72	5.57
Depreciation and impairment losses		
Depreciation of right-of-use assets	36.05	32.24

Total cash outflow for leases of right of use (ROU) assets for the year ended 31st March, 2024 is ₹ 41.36 (31st March, 2023 ₹ 41.36)

- III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk (Refer Note 53.3(b)(i)). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

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

(₹ in Lakhs)

Particulars	As at 31st March 2024
Within one year	16.18
After one year but not more than five years	-
More than five years	1.63
	17.81

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

IV. The weighted average incremental borrowing rate of 9.00% has been applied to lease liabilities recognised in the balance sheet.

51 RELATED PARTY DISCLOSURES PURSUANT TO IND AS - 24

51.1 List of relationships:

a) Holding Company

Harsh Investments Private Limited (HIPL)

b) Key Management Personnel

Mr. Harsh Vardhan Kanoria, Chairman & Managing Director, Chief Executive Officer

Mr. Abhishek Murarka, Wholetime Director (w.e.f 25.05.2023)

Mr. Utkarsh Kanoria, Wholetime Director

Mr. Navin Nayar, Independent Director (Tenure completed on 31.03.2024)

Mr. Padam Kumar Khaitan, Independent Director (Tenure completed on 31.03.2024)

Mrs. Rashmi Prashad, Independent Director

Mr. Sushil Kumar Dhandhanania, Independent Director (Tenure completed on 31.03.2024)

Mr. Deo Kishan Mohta, Independent Director (w.e.f 01.04.2024)

Mr. Siddharth Jhajharia, Independent Director (w.e.f 01.04.2024)

Mr. Sutirtha Bhattacharya, Independent Director (w.e.f 01.04.2024)

Mrs. Malati Kanoria, Non-executive Director

c) Entities over which Key Management Personnel and relatives of Key Management Personnel have control / significant influence

Abhyadoot Finance and Investments Private Limited (AFIPL)

Bright and Shine Micro Products Private Limited (BSMPPL)

Cheviot Agro Industries Private Limited (CAIPL)

Cheviot International Limited (CIL)

Elite (India) Private Limited (EIPL)

Khaitan and Company LLP

d) Post-employment benefit plan entities

Cheviot Company Limited Employees' Gratuity Trust Fund

Cheviot Company Limited Employees' Provident Fund

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

(₹ in Lakhs)

51.2 Transactions carried out during the year :

Transactions / Nature of Relationship	For the year ended 31st March, 2024					For the year ended 31st March, 2023				
	Holding Company	Key Management Personnel	Entities over which Key Management Personnel and relatives of Key Management Personnel have control / significant influence	Post-employment benefit plan entities	Total	Holding Company	Key Management Personnel	Entities over which Key Management Personnel and relatives of Key Management Personnel have control / significant influence	Post-employment benefit plan entities	Total
Rendering of services	0.48	-	0.12	-	0.60	0.48	-	1.44	-	1.92
CAIPL	-	-	0.12	-	0.12	-	-	1.44	-	1.44
HIPL	0.48	-	-	-	0.48	0.48	-	-	-	0.48
Receiving of services *	-	523.77	3.00	-	526.77	-	772.22	2.75	-	774.97
Mr. Harsh Vardhan Kanoria	-	239.39	-	-	239.39	-	386.18	-	-	386.18
Mr. Utkarsh Kanoria	-	239.63	-	-	239.63	-	386.04	-	-	386.04
Mr. Abhishek Murarka	-	44.75	-	-	44.75	-	-	-	-	-
Khaitan and Company LLP	-	-	3.00	-	3.00	-	-	2.75	-	2.75
Deposit received	-	0.99	-	-	0.99	-	-	-	-	-
Mr. Abhishek Murarka	-	0.99	-	-	0.99	-	-	-	-	-
Commission to non-executive/ independent directors	-	25.00	-	-	25.00	-	25.00	-	-	25.00
Mr. Navin Nayar	-	5.00	-	-	5.00	-	5.00	-	-	5.00
Mr. Padam Kumar Khaitan	-	5.00	-	-	5.00	-	5.00	-	-	5.00
Mrs. Rashmi Prashad	-	5.00	-	-	5.00	-	5.00	-	-	5.00
Mr. Sushil Kumar Dhandhanania	-	5.00	-	-	5.00	-	5.00	-	-	5.00
Mrs. Malati Kanoria	-	5.00	-	-	5.00	-	5.00	-	-	5.00
Sitting fees paid to non-executive/ independent directors	-	1.70	-	-	1.70	-	1.90	-	-	1.90
Mr. Navin Nayar	-	0.40	-	-	0.40	-	0.40	-	-	0.40
Mr. Padam Kumar Khaitan	-	0.30	-	-	0.30	-	0.40	-	-	0.40
Mrs. Rashmi Prashad	-	0.20	-	-	0.20	-	0.30	-	-	0.30
Mr. Sushil Kumar Dhandhanania	-	0.40	-	-	0.40	-	0.40	-	-	0.40
Mrs. Malati Kanoria	-	0.40	-	-	0.40	-	0.40	-	-	0.40
Dividend paid	1,033.42	181.66	0.53	-	1,215.61	2,296.49	403.70	1.18	-	2,701.37
HIPL	1,033.42	-	-	-	1,033.42	2,296.49	-	-	-	2,296.49
Mr. Harsh Vardhan Kanoria	-	120.11	-	-	120.11	-	266.92	-	-	266.92
Mrs. Malati Kanoria	-	2.04	-	-	2.04	-	4.53	-	-	4.53
Mr. Utkarsh Kanoria	-	59.51	-	-	59.51	-	132.25	-	-	132.25
Others	-	-	0.53	-	0.53	-	-	1.18	-	1.18
Contributions made (including Employees' share and contribution)	-	-	-	671.91	671.91	-	-	-	618.99	618.99
Cheviot Company Limited Employees' Gratuity Trust Fund	-	-	-	50.00	50.00	-	-	-	-	-
Cheviot Company Limited Employees' Provident Fund	-	-	-	621.91	621.91	-	-	-	618.99	618.99

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

(₹ in Lakhs)

51.2 Transactions carried out during the year : (contd.)

Transactions / Nature of Relationship	For the year ended 31st March, 2024					For the year ended 31st March, 2023				
	Holding Company	Key Management Personnel	Entities over which Key Management Personnel and relatives of Key Management Personnel have control / significant influence	Post-employment benefit plan entities	Total	Holding Company	Key Management Personnel	Entities over which Key Management Personnel and relatives of Key Management Personnel have control / significant influence	Post-employment benefit plan entities	Total
Outstanding against receiving of services	-	419.00	-	-	419.00	-	700.00	-	-	700.00
Mr. Harsh Vardhan Kanoria	-	203.00	-	-	203.00	-	350.00	-	-	350.00
Mr. Utkarsh Kanoria	-	203.00	-	-	203.00	-	350.00	-	-	350.00
Mr. Abhishek Murarka	-	13.00	-	-	13.00	-	-	-	-	-
Outstanding deposit	-	6.03	-	-	6.03	-	-	-	-	-
Mr. Abhishek Murarka	-	6.03	-	-	6.03	-	-	-	-	-
Outstanding against commission to non-executive/ independent directors	-	22.50	-	-	22.50	-	22.50	-	-	22.50
Mr. Navin Nayar	-	4.50	-	-	4.50	-	4.50	-	-	4.50
Mr. Padam Kumar Khaitan	-	4.50	-	-	4.50	-	4.50	-	-	4.50
Mrs. Rashmi Prashad	-	4.50	-	-	4.50	-	4.50	-	-	4.50
Mr. Sushil Kumar Dhandhanian	-	4.50	-	-	4.50	-	4.50	-	-	4.50
Mrs. Malati Kanoria	-	4.50	-	-	4.50	-	4.50	-	-	4.50
Outstanding against Post employment benefit entities	-	-	-	51.68	51.68	-	-	-	56.13	56.13
Cheviot Company Limited Employees' Provident Fund	-	-	-	51.68	51.68	-	-	-	56.13	56.13

* includes commission paid to Mr. Harsh Vardhan Kanoria - ₹ 203.00 (F.Y. 2022-23 ₹ 350.00), Mr. Utkarsh Kanoria - ₹ 203.00 (F.Y. 2022-23 ₹ 350.00) and Mr. Abhishek Murarka - ₹ 13.00 (F.Y. 2022-23 ₹ Nil).

There being no doubtful debts, no provision has been made and no expenses has been recognised in respect of bad and doubtful debts during the current/previous year in respect of related party transactions.

51.3 Key Management Personnel Compensation:

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Short-term employee benefits	517.58	769.82
Post-employment benefits	6.19	2.40
Long-term employee benefits	-	-
	523.77	772.22

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

(₹ in Lakhs)

52 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the ordinary shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. As at 31st March, 2024 and 31st March, 2023, the Company has only one class of ordinary shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

53 DISCLOSURE ON FINANCIAL INSTRUMENTS

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial assets, financial liabilities and derivative financial instruments are disclosed in Note 3.10 to the financial statements.

53.1 Financial Assets and Liabilities (Non-current and current)

Particulars	As at 31st March 2024			As at 31st March 2023		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	0.32	-	-	0.32	-
- Preference shares *	-	-	-	-	-	-
- Mutual funds	25,628.83	-	-	18,542.12	-	-
- Real estate investment trust	-	-	-	489.70	-	-
- Alternative investments funds	1,278.06	-	-	1,031.27	-	-
- Debentures or bonds	-	-	5,168.09	-	-	5,707.93
Trade receivables	-	-	3,018.41	-	-	3,384.60
Cash and cash equivalents	-	-	123.42	-	-	358.46
Other bank balances	-	-	171.49	-	-	501.70
Other financial assets						
- Interest accrued on investments and fixed deposits	-	-	101.50	-	-	112.09
- Export incentives receivable	-	-	99.48	-	-	115.16
- Other deposits, advances & receivables	-	-	245.10	-	-	117.98
Total financial assets	26,906.89	0.32	8,927.49	20,063.09	0.32	10,297.92

* investment in preference shares is net of impairment.

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

(₹ in Lakhs)

Particulars	As at 31st March 2024			As at 31st March 2023		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial liabilities						
Borrowings (including current maturities)	-	-	876.70	-	-	625.38
Lease liabilities	-	-	16.10	-	-	54.75
Trade payables	-	-	1,050.61	-	-	506.98
Other financial liabilities						
- Unpaid dividends	-	-	170.70	-	-	175.90
- Fractional bonus share proceeds unclaimed	-	-	0.79	-	-	0.80
- Capital creditors	-	-	-	-	-	222.18
- Employee related liabilities	-	-	1,123.81	-	-	1,391.50
- Mark to market loss on derivative financial instruments (net)	5.28	-	-	4.95	-	-
- Security deposits and others	-	-	14.86	-	-	50.06
Total financial liabilities	5.28	-	3,253.57	4.95	-	3,027.55

The fair value of investments measured at amortised cost is as under:

Particulars	As at 31st March 2024		As at 31st March 2023	
	Amortised cost	Fair value	Amortised cost	Fair value
Preference shares *	-	-	-	-
Debentures or bonds	5,168.09	5,951.16	5,707.93	6,638.51

* Investment in preference shares is net of impairment.

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings and other current financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximate their carrying value.

53.2 Fair value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities. The mutual fund / alternative investment fund are valued using the quoted price/closing net asset value.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an

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

(₹ in Lakhs)

instrument are observable, the instrument is included in Level 2. The fair value of all debentures or bonds which are not actively traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date. Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty. The fair value of short-term financial assets and liabilities is considered to be approximately equal to its carrying value due to their short term nature. Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value where most recent information to measure fair value is insufficient or if there is a wide range of possible fair value measurements.

Particulars	As at 31st March 2024			As at 31st March 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
(i) Measured at fair value through profit or loss						
Investments						
- Mutual funds	25,628.83	-	-	18,542.12	-	-
- Real estate investment trust	-	-	-	489.70	-	-
- Alternative investments funds	1,278.06	-	-	1,031.27	-	-
Subtotal	26,906.89	-	-	20,063.09	-	-
(ii) Measured at fair value through other comprehensive income						
Investments						
- Equity instruments	-	-	0.32	-	-	0.32
Subtotal	-	-	0.32	-	-	0.32
Total financial assets	26,906.89	-	0.32	20,063.09	-	0.32
Financial liabilities						
Measured at fair value through profit or loss						
Other financial liabilities						
- Mark to market loss on derivative financial instruments (net)	-	5.28	-	-	4.95	-
Total financial liabilities	-	5.28	-	-	4.95	-

There were no transfers between Level 1, Level 2 and Level 3 during the year.

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

53.3 Financial Risk Management

The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Directors. The different types of risk impacting the fair value of financial instruments are as below:

a) Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, after obtaining necessary approvals for credit.

i) Trade Receivable

Customer credit risk is managed by the Company subject to Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers are generally from government agencies and in respect of export debtors, terms of shipment is either cash against document or 100% advance against proof of shipments or backed by letter of credit / ECGC coverage. Thus, based on past trends, the Company does not foresee any losses in expected credit loss (ECL). The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable disclosed in Note - 15.

ii) Financial instruments and cash deposit

Credit risk is limited as the Company generally invest in deposits with banks and in bonds of companies having high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investments in debentures or bonds, preference shares, mutual fund units, real estate investment trust and alternative investment funds. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

b) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due. The Company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be used as and when required, such credit facilities are reviewed at regular basis.

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

(₹ in Lakhs)

i) Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date -

Particulars	On demand	0 to 6 months	More than 6 months to 1 year	More than 1 year	Total
As at 31st March, 2024					
Derivative					
Mark to market loss on derivative financial instruments (net) (Refer Note - 29)	-	5.28	-	-	5.28
	-	5.28	-	-	5.28
Non-derivative					
Borrowings (including current maturities) (Refer Note - 26)	876.70	-	-	-	876.70
Lease liabilities (Refer Note - 22 and 27)	-	16.06	-	0.04	16.10
Trade payables (Refer Note - 28)	-	1,050.61	-	-	1,050.61
Other financial liabilities (Refer Note - 29)	171.49	1,138.67	-	-	1,310.16
	1,048.19	2,205.34	-	0.04	3,253.57
As at 31st March, 2023					
Derivative					
Mark to market loss on derivative financial instruments (net) (Refer Note - 29)	-	4.95	-	-	4.95
	-	4.95	-	-	4.95
Non-derivative					
Borrowings (including current maturities) (Refer Note - 26)	617.97	7.41	-	-	625.38
Lease liabilities (Refer Note - 22 and 27)	-	18.89	19.76	16.10	54.75
Trade payables (Refer Note - 28)	-	506.98	-	-	506.98
Other financial liabilities (Refer Note - 29)	176.70	1,663.74	-	-	1,840.44
	794.67	2,197.02	19.76	16.10	3,027.55

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

(₹ in Lakhs)

c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of following risk: interest rate risk, foreign currency risk, other price risk. Financial instruments affected by market risk include investments, trade receivable, borrowings and trade payable.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Company is exposed to risk due to interest rate fluctuation on its non-current and current borrowings with floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options, where considered necessary.

a) Exposure to interest rate risk

Particulars	As at 31st March 2024	As at 31st March 2023
Fixed rate instruments		
Financial assets	5,168.09	6,032.93
Financial liabilities	16.10	54.75
Variable rate instruments		
Financial assets	-	-
Financial liabilities	876.70	625.38

b) Interest rate sensitivity

A change in 50 bps in interest rate would have following impact on profit before tax and other equity -

Particulars	As at 31st March 2024			As at 31st March 2023		
	Sensitivity	Impact on		Sensitivity	Impact on	
		Profit before tax	Other equity		Profit before tax	Other equity
Interest rate increase by	0.50%	(4.38)	(3.28)	0.50%	(3.13)	(2.34)
Interest rate decrease by	0.50%	4.38	3.28	0.50%	3.13	2.34

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period and all other variables remain constant.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has significant foreign currency exposure. To mitigate this risk, foreign exchange exposure against exports are partly hedged by entering into forward contract.

a) Exposure to foreign currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

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

(₹ in Lakhs)

(I) Unhedged foreign currency exposure

Particulars	As at 31st March 2024		As at 31st March 2023	
	USD / EURO	INR	USD / EURO	INR
Financial assets				
Trade receivables				
In USD	3,71,674	309.88	9,44,880	776.85
In EURO	2,12,207	191.45	1,44,284	129.29
Other financial assets				
In USD	-	-	1,51,302	124.40
In EURO	6,725	6.06	3,061	2.74
		507.39		1,033.28
Financial liabilities				
Borrowings				
In USD	-	-	-	-
Trade payables and other liabilities				
In USD	2,83,235	236.14	1,18,434	97.37
In EURO	-	-	6,323	5.67
		236.14		103.04
Net exposure in foreign currency (Financial assets - Financial liabilities)				
In USD	88,439	73.74	9,77,748	803.88
In EURO	2,18,932	197.51	1,41,022	126.36
		271.25		930.24

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

(₹ in Lakhs)

(II) Hedged foreign currency exposure

Particulars	As at 31st March 2024		As at 31st March 2023	
	USD / EURO	INR	USD / EURO	INR
Derivative assets				
Forward contract against trade receivables				
In USD	10,00,000	833.74	8,50,000	698.84
In EURO	-	-	2,50,000	224.02
Forward contract against firm commitments and anticipated exposure				
In USD	34,00,000	2,834.71	7,00,000	575.52
In EURO	1,00,000	90.22	2,00,000	179.22
		3,758.67		1,677.60
Derivative Liabilities				
Forward contract - against payable	-	-	-	-
Forward contract - against firm commitments	-	-	-	-
		-		-
Net exposure in foreign currency (Financial assets - Financial liabilities)				
In USD	44,00,000	3,668.45	15,50,000	1,274.36
In EURO	1,00,000	90.22	4,50,000	403.24
		3,758.67		1,677.60

b) Sensitivity analysis

The analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure would have following impact on profit before tax and other equity -

Particulars	As at 31st March 2024			As at 31st March 2023		
	Sensitivity	Impact on		Sensitivity	Impact on	
		Profit before tax	Other equity		Profit before tax	Other equity
USD Sensitivity - Increase	5.00%	3.69	2.76	5.00%	40.19	30.07
USD Sensitivity - (Decrease)	5.00%	(3.69)	(2.76)	5.00%	(40.19)	(30.07)
EURO Sensitivity - Increase	5.00%	9.88	7.39	5.00%	6.32	4.73
EURO Sensitivity - (Decrease)	5.00%	(9.88)	(7.39)	5.00%	(6.32)	(4.73)

iii) Other price risk

The Company's exposure to securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Company, fluctuation in their prices are considered acceptable and do not warrant any management.

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

(₹ in Lakhs)

a) Exposure to other market price risk

Particulars	As at 31st March 2024	As at 31st March 2023
Measured at FVTPL		
Investment in mutual funds	25,628.83	18,542.12
Investment in real estate investment trust	-	489.70
Investment in alternative investment funds	1,278.06	1,031.27
	26,906.89	20,063.09
Measured at FVTOCI		
Investment in equity instruments	0.32	0.32
	0.32	0.32
Total	26,907.21	20,063.41

b) Sensitivity analysis

The analysis is based on assumption that the increase/decrease by 5% with all other variables held constant would have following impact on profit before tax, other comprehensive income and other equity -

Particulars	As at 31st March 2024				As at 31st March 2023			
	Sensitivity	Impact on			Sensitivity	Impact on		
		Profit before tax	Other comprehensive income	Other equity		Profit before tax	Other comprehensive income	Other equity
Market rate increase by	5.00%	1,345.34	0.02	1,006.76	5.00%	1,003.15	0.02	750.69
Market rate decrease by	5.00%	(1,345.34)	(0.02)	(1,006.76)	5.00%	(1,003.15)	(0.02)	(750.69)

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

54. FINANCIAL RATIOS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023	Variance (%)
1 Current ratio (in times) (Current assets/Current liabilities)	4.89	6.05	(19.17)%
2 Debt - equity ratio (in times) ^ (Total debt/Shareholders' equity) [Total debt: Non - current borrowings + Current borrowings + Current maturities of long term borrowings] [Shareholders' equity : Equity share capital + Other equity - Capital reserve - Revaluation surplus]	0.02	0.01	100.00%
3 Debt service coverage ratio (in times) * (EBITDA/Debt service) (EBITDA : Profit before taxes + Finance cost + Depreciation and amortisation expense + PPE and other intangible assets written off - Profit on sale of PPE - Profit on sale of investment property) [Debt service : Interest and Lease payments + Principal repayments of non-current borrowings]	139.01	110.87	25.38%
4 Return on equity ratio (%) (Net Profit after taxes/Average shareholder's equity) [Shareholders' equity : Equity share capital+Other equity - Capital reserve - Revaluation surplus]	14.09%	11.92%	18.20%
5 Inventory turnover ratio (in times) @ (Sale of products/Average inventories)	4.44	5.96	(25.50)%
6 Trade receivables turnover ratio (in times) (Sale of products/Average trade receivables)	14.35	13.44	6.77%
7 Trade payables turnover ratio (in times) # (Expenses/Average trade payables) [Expenses: Total expenses - Finance cost - Depreciation and amortisation expense - Employee benefit expense - Other expenses with respect to non cash items like PPE and other intangible assets written off and net (gain)/loss on foreign currency transactions and translations/MTM loss on derivative financial instruments]	43.56	72.76	(40.13)%
8 Net capital turnover ratio (in times) (Revenue from operations/Average working capital) [Working capital: Current assets - Current liabilities]	2.68	2.94	(8.84)%
9 Net profit ratio (%) ## (Net profit after tax/Revenue from operations)	14.99%	9.66%	55.18%
10 Return on Capital Employed (%) (Earning before interest and taxes (EBIT)/Average capital employed) [EBIT: Profit before taxes + Finance cost] [Capital Employed: Equity share capital + Other equity - Capital reserve - Revaluation surplus + Non current borrowings + Current borrowings + Current maturities of long-term borrowings + Deferred tax liabilities]	16.65%	15.08%	10.41%
11 Return on investment (%) \$ (Net income on investments/Average investment funds in current and non current investments) (Net income on investments : Interest income on investments + Dividend income + net gain/(loss) on sale/fair value changes of investments)	13.58%	3.83%	254.57%

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

Note : Explanation for changes in ratio by more than 25%

^ The variation in debt equity ratio as at 31st March, 2024 as compared to 31st March, 2023 is primarily due to increase in short term borrowings.

* The variation in debt service coverage ratio is primarily due to increase in profitability and lower principal repayment of long term borrowings during the year ended 31st March, 2024.

@ The variation in inventory turnover ratio as at 31st March, 2024 as compared to 31st March, 2023 is primarily due to lower sale realisation and increase in average inventories during the year ended 31st March, 2024.

The variation in trade payables turnover ratio is primarily on account of increase in average trade payables during the year ended 31st March, 2024.

The variation in net profit ratio is primarily on account of increase in other income from investments.

\$ The variation in return on investment is primarily on account of higher return on investments due to favourable market condition during the year ended 31st March, 2024.

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

(₹ in Lakhs)

55 OTHER REGULATORY INFORMATION

- i) The Company does not have any Benami property. Further, there are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, directors, KMPs and the related parties.
- iii) Details of struck off companies with whom the Company has transaction during the year or outstanding balance as on Balance Sheet date:

Name of Struck off Company	Nature of transactions with struck-off Company	As at 31.03.2024	As at 31.03.2023
Safety Perfect Private Limited	Purchase of goods and services	-	-

- iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 has 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 does not have any 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.
- viii) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- ix) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- x) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

56 Previous year's figures have been re-grouped/re-classified, wherever necessary, to make them comparable to the current year's presentation.

As per our report of even date

For **Singhi & Co.**
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No. 059147

Place: Kolkata
Dated the 24th day of May, 2024

Madhup Kumar Patni
Chief Financial Officer

Aditya Banerjee
Company Secretary

For and on behalf of the Board of Directors

Harsh Vardhan Kanoria Chairman and Managing Director
Chief Executive Officer
(DIN - 00060259)

Utkarsh Kanoria Wholetime Director
(DIN - 06950837)

Siddharth Jhajharia Independent Director
(DIN : 01385496)

NOTICE

NOTICE is hereby given that the **126th Annual General Meeting (AGM)** of the members of **CHEVIOT COMPANY LIMITED** (hereinafter referred to as the “**Company**”) will be held on **Friday, 9th August, 2024 at 11:00 A.M. (IST) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)**, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon.
2. To declare dividend of ₹ 5/- (Rupees Five only) per ordinary share on 60,16,875 ordinary shares of face value of ₹ 10/- each (50%), amounting to ₹ 3,00,84,375/- (Rupees Three Crores Eighty-Four Thousand Three Hundred Seventy-Five only) for the financial year ended 31st March, 2024.
3. To appoint a director in place of Mrs. Malati Kanoria (DIN 00253241), who retires by rotation and, being eligible, offers herself for re-appointment.

Special Business:

4. Ratification of remuneration payable to Cost Auditor

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 40,000/- (Rupees Forty Thousand only) plus applicable taxes and re-imbursement of out of pocket expenses payable to M/s D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), appointed as the cost auditor by the Board of Directors of the Company to conduct audit of the cost accounting records maintained by the Company for the financial year ending 31st March, 2025, be and is hereby ratified.”

By Order of the Board of Directors
of **Cheviot Company Limited**

Sd/-

Aditya Banerjee

Company Secretary and Compliance Officer
FCS 10954

Kolkata, 24th May, 2024

CIN: L65993WB1897PLC001409

Registered Office: 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata - 700 016

Ph: +91 82320 87911/12/13 | Email: cheviot@chevjute.com | Website: www.cheviotgroup.com

NOTICE (Contd..)

NOTES:

1. The **Statement** pursuant to the provisions of Section 102 of the Companies Act, 2013 (the “Act”) read with Rules thereunder and Secretarial Standard on General Meetings (“SS-2”), setting out the material facts concerning each item of special business and explaining the reasons thereof, with the recommendation of the Board of Directors to the members, is annexed hereto and forms part of this Notice.
2. Brief profile and other information in respect of director seeking re-appointment as required under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and SS-2 are provided in the **Annexure** forming part of this Notice.
3. The AGM shall be conducted through VC/OAVM without the physical presence of the members at a common venue in accordance with the clarification Circulars issued by the Ministry of Corporate Affairs from time to time including the latest General Circular No. 09/2023 dated 25th September, 2023 (collectively “MCA Circulars”). Members can attend and participate at the ensuing AGM through VC/OAVM only and hence, Attendance Slip and Route Map are not annexed hereto. The venue of the AGM shall be deemed to be the registered office of the Company at 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata - 700016. The VC/OAVM facility will be provided by National Securities Depository Limited (“NSDL”).
4. **ONLY A MEMBER IS ENTITLED TO ATTEND AND VOTE AT THE AGM THROUGH VC/OAVM.** The facility to appoint proxies by the members will not be available for this AGM and hence, the Proxy Form is not annexed hereto. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
5. A member, whose name appears in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on **Friday, 2nd August, 2024 (“cut-off date”)** shall only be entitled to vote and attend the AGM through VC/OAVM. The members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to Section 113 of the Act, institutional/corporate members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and exercise their right to vote. Institutional/corporate members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of resolution authorising their representative to vote and attend the AGM at investorservices@chevjute.com with a copy marked to evoting@nsdl.co.in. Facility will be available on NSDL e-voting system for institutional/corporate members to upload their Board Resolution/Power of Attorney/Authority Letter by clicking on “**Upload Board Resolution/Authority Letter**” displayed under ‘e-voting’ tab in their login.
7. The members can join 15 (fifteen) minutes before and after the scheduled time of the commencement of the AGM through VC/OAVM by following the procedure mentioned in this Notice. The facility to join the AGM through VC/OAVM will be made available for 1,000 members on first-come-first-served basis. This restriction will not be imposed on members holding two percent or more shares, promoters, institutional investors, directors, key managerial personnel, auditors etc.
8. The notice calling the AGM, inter-alia, indicating the process and manner of e-voting and participating at AGM through VC/OAVM will be available on Company’s website: <https://www.cheviotgroup.com> and can also be accessed from the website(s) of the stock exchanges, viz. BSE Limited (“BSE”) (<https://www.bseindia.com>) and National Stock Exchange of India Limited (“NSE”) (<https://www.nseindia.com>) or from the website of NSDL (<https://www.evoting.nsdl.com>).
9. Dividend, as recommended by the Board of Directors, if declared at the AGM, will be paid, subject to deduction of tax at source, on and from **Wednesday, 14th August, 2024** to those members, whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the depositories at the close of business hours on **Friday, 14th June, 2024**, being the **Record Date** fixed for the purpose of dividend.

NOTICE (Contd..)

10. The Company is required to deduct tax at source while making payment of dividend as per the provisions of the Income Tax Act, 1961. Members are requested to submit their residential status, PAN and category to their respective depository participant(s) in case of shares held in dematerialised form and to the Company or to the Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited ("**Registrar**"), in case of shares held in physical form by sending relevant documents on or before **Friday, 2nd August, 2024**. For more details, please refer to "**Communication on tax deduction on dividend**" annexed to this notice and also available on Company's website: <https://www.cheviotgroup.com>.
11. Pursuant to Master Circular dated 7th May, 2024 issued by the Securities and Exchange Board of India ("**SEBI**") it is mandatory for the members holding shares in physical form to furnish PAN, KYC details and nomination for their corresponding folio number. On and from 1st April, 2024, in case of non-availability of PAN, contact details (Postal Address with PIN and Mobile Number), Bank A/c details or specimen signature in any physical folio, the Company shall send an intimation to the registered address of such folio that dividend is due and shall be made electronically upon furnishing required details.
12. Members holding shares in physical form are requested to submit relevant Form ISR-1/ISR-2/ISR-3/SH-13/SH-14 to the Registrar by email at mdpldc@yahoo.com or by post at 23, R.N. Mukherjee Road, 5th Floor, Kolkata 700 001 West Bengal for registering or updating their PAN, contact details, bank account details, registered address, e-mail ID, specimen signature, nomination, etc., if they have not done so already. The Forms are available for download on the website(s) of the Company (<https://www.cheviotgroup.com>) and Registrar (<https://www.mdpl.in/>). Separate intimation is being sent to the registered address / email ID of each member holding shares in physical form whose folio(s) is incomplete. Members holding the shares in dematerialised form are requested to intimate all changes or updates relating to their PAN, contact details, bank account details, registered address, e-mail ID, nomination, etc., to their respective depository participant(s), if they have not done so already.
13. Members whose shares are lying in the unclaimed suspense account of the Company in dematerialised form are requested to contact the Registrar by email at mdpldc@yahoo.com or by post at 23, R.N. Mukherjee Road, 5th Floor, Kolkata 700 001 West Bengal to claim their shares. The details are available on the website of the Company (<https://www.cheviotgroup.com>).
14. Pursuant to Regulation 40 of SEBI Listing Regulations, requests for transfer, transmission or transposition of shares shall be processed in dematerialised form only. Moreover, SEBI has mandated listed companies to issue the shares in dematerialised form only while processing the investor service requests such as issue of duplicate share certificate; claim from unclaimed suspense account; renewal / exchange of share certificate; endorsement; sub-division / splitting of share certificate; consolidation of share certificates / folios; transmission; transposition. Members holding shares in physical form are requested to consider dematerialising their shares to avail themselves of the benefits of dematerialisation and eliminate risks associated with physical share handling. Members are requested submit Form ISR-4 or ISR-5, as the case may be, duly filled and signed, along with the original share certificate(s), wherever applicable. Forms are available for download on the website(s) of the Company (<https://www.cheviotgroup.com>) and Registrar (<https://www.mdpl.in/>). Please note that service requests can be processed only after the folio is KYC compliant.
15. Unpaid / unclaimed dividend for the financial year ended 31st March, 2017 and the corresponding ordinary shares of the Company in respect of which dividend remain unpaid / unclaimed for seven consecutive years shall become due for transfer to the Investors Education and Protection Fund ("**IEPF**") during October, 2024. Members are requested to claim their dividend, details of which are available on the website of the Company (<https://www.cheviotgroup.com>), before transfer to IEPF. Members whose unclaimed dividend / shares have been transferred to IEPF, may claim the same from the IEPF Authority by filing Form No. IEPF-5, for which details are available on the IEPF website (<https://www.iepf.gov.in>). Claimants are advised to approach the Company or the Registrar for issuance of entitlement letter, upon submission of required documents, before filing of claim(s) with the IEPF Authority. Mr. Aditya Banerjee, Company Secretary and Compliance Officer of the Company, is the Nodal Officer for the purpose of verification of IEPF claims.

NOTICE (Contd..)

16. SEBI has established a common Online Dispute Resolution (“**SMART ODR**”) Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian securities market. A member shall first take up his / her / their grievance with the Company by lodging a complaint directly with the Company. If the grievance is not redressed satisfactorily, the member may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. After exhausting these options for resolution of the grievance, if the member is still not satisfied with the outcome, he / she / they can initiate dispute resolution through the SMART ODR Portal at: <https://smartodr.in/login>. Relevant SEBI circulars on SMART ODR are available on the website of the Company at <https://www.cheviotgroup.com>.

17. **Process for registration of e-mail address(es)**

Member(s), who are yet to register their email address or wish to update their email address, are requested to follow the below process:

Shares held in Physical form	Please submit Form ISR-1 duly filled and signed to M/s Maheshwari Datamatics Private Limited, Registrar and Share Transfer Agent by email to mdpldc@yahoo.com or by post to 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700 001. Form ISR-1 is available for download on the website(s) of the Company (https://www.cheviotgroup.com) and Registrar (https://www.mdpl.in).
Shares held in DEMAT form	Please contact your Depository Participant (DP) to register / update your email address and / or other details in your DEMAT account, as per the process advised by your DP.

18. In compliance with Sections 101 and 136 of the Act read with relevant Rules made thereunder, relevant MCA Circulars and SEBI Circulars issued in this regard, the Notice calling the AGM and the Annual Report for the financial year ended 31st March, 2024, comprising of Board’s Report, Independent Auditors’ Report, Financial Statements, etc. will be sent by electronic mode to those members whose email address are available on record with the Company/Registrar/Depositories. Members are requested to register/update their email address by following the steps mentioned above at Note 17 to receive these documents through email. Notice calling the AGM and the Annual Report for the financial year ended 31st March, 2024 will also be available on the website(s) of the Company (<https://www.cheviotgroup.com>) and the stock exchanges viz. BSE (<https://www.bseindia.com>) and NSE (<https://www.nseindia.com>), where the shares of the Company are listed.

19. The Register of Directors and Key Managerial Personnel and their Shareholding, Register of Contracts or Arrangements in which Directors are interested and all other documents referred to in this notice shall remain open and accessible in electronic form for inspection by the members during the AGM.

20. All documents referred to in the accompanying **Notice** and the **Statement** annexed hereto shall be made available for inspection through electronic mode, basis on the request being sent at investorservices@chevjute.com.

21. Members desirous of getting any information about the financial statements and/or operations of the Company are requested to send their queries at investorservices@chevjute.com at least 10 (ten) days in advance of the AGM i.e. by **Tuesday, 30th July, 2024**, so that proper information can be made available at the AGM.

22. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

23. **Process and manner for voting by electronic means and joining AGM through VC/OAVM on NSDL e-voting system.**

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations and SS-2, the Company is pleased to provide to members the facility to exercise their right to vote on resolutions set forth in this notice by electronic means (e-voting). The facility for e-voting will be provided by NSDL.

NOTICE (Contd.)

The remote e-voting period shall commence on **Monday, 5th August, 2024 at 10:00 a.m. (IST)** and end on **Thursday, 8th August, 2024 at 5:00 p.m. (IST)**. During this period, members holding shares in physical form or dematerialised form as on the **cut-off date i.e. Friday, 2nd August, 2024**, may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of members shall be in proportion to their shares in the paid-up ordinary share capital of the Company as on the cut-off date. Once the vote on a resolution is cast, the member shall not be allowed to change it subsequently.

I. How to vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-voting system

A. Login method for e-voting for individual members holding shares in dematerialised form.

In terms of SEBI circular dated 9th December, 2020 on “e-Voting facility provided by Listed Entities”, individual members holding shares in dematerialised form are allowed to vote through their demat account maintained with Depositories / Depository Participants (“DP(s)”). Members are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

Login method for individual members holding shares in dematerialised form is given below:

Type of member	Login Method
Individual members holding shares in dematerialised form with NSDL	<ol style="list-style-type: none"> Existing IDeAS users can visit the website of NSDL (https://eservices.nsdl.com/) either on a desktop / laptop or on a mobile phone. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. This will prompt the users to enter their User ID and Password. After successful authentication, users will be able to see e-voting services under value added services. Click on “Access to e-voting” under e-voting services and users will be able to see the e-voting page. Click on Company name or e-voting service provider (ESP) - NSDL and users will be re-directed to e-voting website of NSDL to cast their vote on the resolutions during the remote e-voting period or to join and cast their vote during AGM. If users are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at: https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a desktop / laptop or on a mobile phone. Once the home page of NSDL e-voting website is launched, click on the “Login” icon available under “Shareholder / Member” section. A new screen will open. Users will have to enter their User ID (i.e., your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, users will be able to see e-voting page. Click on options available against Company name or ESP - NSDL and users will be redirected to e-voting website of NSDL to cast their vote during the remote e-voting period or to join and cast their vote during AGM. Members can also download NSDL mobile app “NSDL Speede” facility by scanning the QR code mentioned here for seamless voting experience: <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  App Store  Google Play</div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>

NOTICE (Contd..)

Type of member	Login Method
Individual members holding shares in dematerialised form with Central Depository Services (India) Limited (CDSL)	<ol style="list-style-type: none"> 1. Registered users of CDSL Easi / Easiest facility can login through their existing User ID and Password. Option will be made available to reach the e-voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website https://www.cdslindia.com and click on Login to - My Easi Tab and then use their existing User ID and Password. 2. After successful login, the Easi / Easiest users will be able to see the e-voting option for eligible companies where the e-voting is in 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 ESP – NSDL to cast their vote during the remote e-voting period or to join and cast their vote during AGM. Additionally, there are also links provided to access the system of all ESP, so that the user can visit the ESP’s website directly. 3. If the user is not registered for Easi / Easiest, option to register is available at CDSL website https://www.cdslindia.com and click on Login to - My Easi tab under quick links and then click on To Register for Easi / Easiest. 4. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from an e-voting link available on https://www.cdslindia.com home-page. The system will authenticate the user by sending OTP on registered mobile number and email ID 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 process and also able to directly access the system of all ESP.

Type of member	Login Method
Individual members (holding shares in dematerialised form) login through their DP(s)	Individual members can also login using the login credentials of their demat account through their DP(s) registered with NSDL / CDSL for e-voting facility. Once logged in, users will be able to see the e-voting option. Click on e-voting option, users will be redirected to NSDL / CDSL depository site after successful authentication, wherein users can see e-voting feature. Click on Company name or ESP - NSDL and users will be redirected to e-voting website of NSDL to cast their vote during the remote e-voting period or to join and cast their vote during AGM.

Important note: Members who are unable to retrieve User ID / Password are advised to use “**Forget User ID**” and “**Forget Password option**” available on the websites of NSDL / CDSL / DP(s).

Helpdesk for individual members holding securities in dematerialised form for any technical issues related to login through Depositories i.e., NSDL and CDSL.

Login type	Helpdesk details
Shares held with NSDL	Email ID: evoting@nsdl.co.in / Tel no.: (022) 4886 7000
Shares held with CDSL	Email ID: helpdesk.evoting@cdslindia.com / Tel no.: 1800 22 55 33

B. Login method for e-voting and joining AGM through VC/OAVM for members other than individual members holding shares in dematerialised form and members holding shares in physical form.

NOTICE (Contd.)

How to log-in to NSDL e-voting system?

1. Visit e-voting website of NSDL by opening your web browser and type the following URL either on a desktop / laptop or on a mobile phone: <https://www.evoting.nsdl.com/>.
2. Once the home page of NSDL e-voting website is launched, click on the “Login” icon available under “Shareholder / Member” section.
3. A new screen will open. You will have to enter your User ID, Password / OTP and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e., IDeAS, you can login at <https://eservices.nsdl.com/> with your existing IDeAS Login. Once you login to NSDL e-services using your login credentials, click on “e-voting” and proceed to Step 2, i.e., Cast your vote electronically on NSDL e-voting system.

4. Your User ID details are given below:

Manner of holding shares, i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
i) For members who hold shares in demat account with NSDL	8 character DP ID followed by 8 digit Client ID. For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
ii) For members who hold shares in demat account with CDSL	16 digit Beneficiary ID. For example, if your Beneficiary ID is 12***** then your User ID is 12*****
iii) For members holding shares in physical form	EVEN – 128924 , followed by Folio Number registered with the Company. For example, if your Folio Number is 001*** then your User ID is 128924001***

5. Password details for members other than individual members holding share in dematerialised form are given below:
 - i) If you are already registered for e-voting, then you can use your existing Password to login and vote electronically.
 - ii) If you are using the NSDL e-voting system for the first time, you will need to retrieve the “initial password” which was communicated to you. Once you retrieve your initial password, you need to enter the “initial password” and the system will prompt you to change your Password.
 - iii) How to retrieve your “initial password”?
 - a) If your email ID is registered in your demat account or with the Company, your “initial password” was communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment (it will be a .pdf file). Open the .pdf file. The Password to open the .pdf file is your 8-digit client ID for your NSDL account or the last 8 digits of your client ID for your CDSL account or Folio number for shares held in physical form. The .pdf file contains your “User ID” and your “initial password”.
 - b) If your e-mail ID is not registered, then please follow the steps as mentioned below at Note 23(II).
6. If you have not received the “initial password” or are unable to retrieve it or have forgotten your Password:
 - i) Click on the “Forgot User Details / Password?” (If you are holding shares in your demat account with NSDL or CDSL) option available on <https://www.evoting.nsdl.com/>.
 - ii) Click on “Physical User Reset Password?” (If you are holding shares in physical form) option available on <https://www.evoting.nsdl.com/>.
 - iii) Members can also use the OTP (One Time Password) based login to record their assent or dissent on the resolutions through the e-voting system of NSDL.
 - iv) If you are still unable to get your Password following the aforesaid options, you can send a request to evoting@nsdl.co.in mentioning your demat account number / folio number, your PAN, your name and your registered address.

NOTICE (Contd..)

7. After entering your Password, tick on agree to “**Terms and Conditions**” by selecting on the check box.
8. Next, you will have to click on “**Login**” button.
9. After you click on the “**Login**” button, the homepage of e-voting will open.

Step 2: Cast your vote electronically and join AGM through VC/OAVM on NSDL e-voting system.

1. After successful login, by following Step 1, you will be able to see the “**EVEN**” of all the companies in which you hold shares and whose voting cycle is in “**active**” status.
2. Select **EVEN – 128924 of Cheviot Company Limited** for which you wish to cast your vote during the remote e-voting period and/or cast your vote during AGM.
3. To join AGM, you need to click on “**VC/OAVM**” link placed under “**Join Meeting**”.
4. Now you are ready for e-voting as the voting page opens.
5. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on “**Submit**”. Also click on “**Confirm**” when prompted.
6. Upon confirmation, the message, “**Vote cast successfully**” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

II. Process for those members whose email address is not registered with the Company / Depositories, to register their email address and / or to procure user ID and Password for e-voting and to participate at the AGM through VC/OAVM.

- i. Members holding shares in physical form and who have not registered their email address with the Company can get the same registered by submitting Form ISR-1 duly filled and signed by email to mdpldc@yahoo.com or investorservices@chevjute.com or by post to the office of the Registrar at 23, R.N. Mukherjee Road, 5th Floor, Kolkata 700 001. Form ISR-1 is available for download on the website of the Registrar at <https://www.mdpl.in>.
- ii. Members holding shares in the dematerialised form and who have not registered their email address are requested to register / update their email address with their respective DP(s).
- iii. Individual members holding shares in dematerialised form are requested to refer to the login method explained at Step 1(A) under Note 23(l) above i.e., Login method for e-voting for individual members holding shares in dematerialised form. Individual members holding shares in dematerialised form are allowed to vote through their demat account maintained with DP(s). Individual members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.
- iv. Alternatively, members may send a request to evoting@nsdl.co.in for procuring User ID and Password for e-voting by providing relevant documents viz. scan copies of share certificate (front and back) and PAN of member for physical folios or scan copies of client master and PAN of member for demat holders.

General guidelines for members

1. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential. Login to the NSDL e-voting system will be disabled upon five unsuccessful attempts to key in the correct Password. In such an event, you will need to go through the “**Forgot User Details / Password?**” or “**Physical User Reset Password?**” option available on <https://www.evoting.nsdl.com> to reset the Password.
2. In case of any query connected with remote e-voting, members may refer to the **Frequently Asked Questions (FAQs) for Shareholders** and **E-voting User Manual for Shareholders** available at the download section of <https://www.evoting.nsdl.com> or call on the toll-free no.: (022) 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager – NSDL at evoting@nsdl.co.in.

NOTICE (Contd.)

III. The instructions for members for e-voting during the AGM are as under:

1. The e-voting facility will be available during the AGM. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those members, who will be present at 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 NSDL e-voting system during the AGM.
3. Members who have cast their vote by remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievance connected with the facility for e-voting during the AGM shall be the same person mentioned for remote e-voting.

IV. INSTRUCTIONS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access NSDL e-voting system by following “**Step 1 - Access to NSDL e-voting system**”. After successful login, members can see link of ‘**VC/OAVM**’ link placed under “**Join Meeting**” menu against company name. You are requested to click on ‘**VC/OAVM**’ link placed under “**Join Meeting**” menu. The link for VC/OAVM will be available in “**Shareholder/Member**” login where the **EVEN – 128924** of Company will be displayed. Please note that the members, who do not have the User ID and Password for e-voting or have forgotten the User ID and Password, may retrieve the same by following the instructions mentioned above in this notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the NSDL e-voting system.
 2. Members are requested to use stable internet connection (Wi-Fi or LAN) to avoid any audio/visual loss during the AGM. Members may use Laptop for better experience.
 3. Members who would like to express their views or raise any question during the AGM need to register themselves as a speaker by sending a request from their registered email address mentioning their name, DPID and CLID/Folio number, mobile number at investorservices@chevjute.com latest by 4:00 P.M. on Wednesday, 7th August, 2024. Members, who are successfully registered as speaker will be informed over email on Thursday, 8th August, 2024. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
 4. Institutional investors, who are members of the Company, are encouraged to participate at the AGM through VC/OAVM and exercise their right to vote on the resolutions.
- V. Any person, who acquires share(s) of the Company and becomes member of the Company after despatch of the notice of AGM and holding share(s) as on the cut-off date, i.e., **Friday, 2nd August, 2024**, may obtain the User ID and Password by sending a request at evoting@nsdl.co.in. However, if a member is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and Password to cast his/her vote. Individual members holding shares in dematerialised form are requested to refer to the login method explained at Step 1(A) under Note 23(I) above i.e. Login method for e-voting and joining AGM through VC/OAVM for individual members holding shares in dematerialised form.
- VI. Mr. Mohan Ram Goenka, a practicing company secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, unblock and count the total votes cast by the members, in the presence of at least two witnesses not in employment of the Company, and submit a consolidated Scrutinizer’s Report to the Chairman or a person authorised by the Chairman in writing.



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VII. The results of the e-voting will be declared within two working days from the conclusion of the AGM. Immediately after declaration, the e-voting results along with the Scrutinizer's Report shall be placed on the websites of the Company (<https://www.cheviotgroup.com>) and NSDL (<https://www.evoting.nsdl.com/>). The results shall simultaneously be forwarded to the stock exchanges viz. BSE (<https://www.bseindia.com>) and NSE (<https://www.nseindia.com>), where the shares of the Company are listed.

STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

On the recommendation of the audit committee, the Board of Directors have approved the re-appointment of M/s D. Radhakrishnan & Co., Cost Accountants (Registration No. 000018), being eligible and having sought re-appointment, as cost auditor of the Company, to conduct audit of the cost accounting records maintained by the Company for the financial year ending 31st March, 2025 for a remuneration of ₹ 40,000/- (Rupees Forty Thousand only) plus applicable taxes and re-imburement of out of pocket expenses on actuals as required in terms of the Companies (Cost Records and Audit) Rules, 2014. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, consent of the members is sought for ratification of the remuneration payable to the cost auditor for the financial year ending 31st March, 2025.

None of the directors and/or key managerial personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors recommend passing of the proposed Ordinary Resolution as set out at Item No. 4 of the Notice.

By Order of the Board of Directors
of **Cheviot Company Limited**

Sd/-

Aditya Banerjee

Company Secretary and Compliance Officer

FCS 10954

Kolkata, 24th May, 2024

CIN: L65993WB1897PLC001409

Registered Office: 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata - 700 016

Ph: +91 82320 87911/12/13 | Email: cheviot@chevjute.com | Website: www.cheviotgroup.com

NOTICE (Contd.)

ANNEXURE

Information in respect of director seeking re-appointment as required under Regulation 36(3) of SEBI Listing Regulations and SS-2:

1	Name	Mrs. Malati Kanoria
2	DIN	00253241
3	Age	67 years
4	Nationality	Indian
5	Date of first appointment on the Board	9th May, 2014
6	Brief Resume	Mrs. Malati Kanoria was appointed as a non-independent, non-executive director liable to retire by rotation. She belongs to the promoter group. She is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as director, if re-appointed. The Board of Directors recommend passing of the proposed Ordinary Resolution as set out at Item No. 3 of the Notice.
7	Qualifications	Bachelor of Arts from University of Calcutta
8	Experience / Expertise in Specific Functional Areas	Experience in identifying and implementing CSR projects. Understanding socio-economic conditions and developing strategies for sustainable growth of the organisation.
9	Terms and Conditions of re-appointment along with details of remuneration sought to be paid	Contractual appointment, liable to retire by rotation, as per terms and conditions including remuneration, to be determined by the Board within the limits approved by the members.
10	Remuneration last drawn by such person, if applicable.	₹ 5.40 Lakhs during the year ended 31st March, 2024.
11	Number of Board Meetings attended during the financial year 2023-24	4 (four) out of 4 meetings held during the year
12	Directorship held in other listed companies. (As on 31st March, 2024)	None
13	Listed companies from which the person has resigned in the past three years	None
14	Directorship in unlisted companies (As on 31st March, 2024)	(i) Abhyadoot Finance and Investments Private Limited (ii) Cheviot Agro Industries Private Limited (iii) Cheviot International Limited (iv) Elite (India) Private Limited (v) Harsh Investments Private Limited
15	Chairmanship / Membership of Committees of other Boards (As on 31st March, 2024)	NIL
16	Shareholding in the Company including shareholding as a beneficial owner (As on 31st March, 2024)	7,546 ordinary shares of face value of ₹ 10/- each
17	Relationship with other director(s) / other key managerial personnel(s) of the Company	Related to Mr. Harsh Vardhan Kanoria (spouse) and Mr. Utkarsh Kanoria (son) on the Board of Directors.

COMMUNICATION ON TAX DEDUCTION ON DIVIDEND

Dear Member(s),

The Board of Directors of Cheviot Company Limited (the “Company”) at its meeting held on Friday, 24th May, 2024, have recommended a final dividend of ₹ 5/- (Rupees Five only) per ordinary share on 60,16,875 ordinary shares of face value of ₹ 10/- each (50%), amounting to ₹ 3,00,84,375/- (Rupees Three Crores Eighty-Four Thousand Three Hundred Seventy-Five only) for the financial year ended 31st March, 2024, subject to approval of the members at the ensuing annual general meeting of the Company convened to be held on **Friday, 9th August, 2024**. The dividend will be paid to those members, whose names appear in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the **Record Date, Friday, 14th June, 2024**.

Pursuant to the provisions of Section 194 and other applicable provisions, if any, of the Income Tax Act, 1961 (“IT Act”), the Company is now under an obligation to deduct tax at source (“TDS”) at the prescribed rates applicable to each category of members, wherever applicable, at the time of making the payment of dividend.

Members are requested to send all information and documents mentioned hereunder to the Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited (“Registrar”).

This communication provides a brief on the applicable TDS provisions under the IT Act for Resident and Non-Resident members and information/documents required from the members.

A. Resident Member(s) :

1. No TDS shall be deducted on dividend payable to resident individuals, if aggregate dividend does not exceed ₹ 5,000/- during that financial year.
2. In other cases, TDS is required to be deducted at the rate of 10% u/s 194 of the IT Act where members have registered their valid Permanent Account Number (“PAN”) with the Company/Registrar/Depositories. In case PAN is not provided or not available or inoperative, TDS at higher rate of 20% shall be deducted in accordance with the provisions of Section 206AA of the IT Act.
3. No TDS shall be deducted from dividend payable to Mutual Funds, Insurance Companies, Category I and II Alternative Investment Fund, Recognised Provident Funds, Approved Superannuation Fund, Approved Gratuity Fund, National Pension Scheme, Government (Central/State) or any other entity entitled to exemption from TDS for the time being in force, subject to specified conditions and submission of declaration as per **Annexure 1** with certified copies of evidence.
4. No TDS shall be deducted on furnishing of valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of sixty years with no tax liability on total income). Formats of Form 15G and Form 15H are enclosed as **Annexure 2** and **Annexure 3**, respectively. Please note that all the fields mentioned in the Form are mandatory and the Company may reject an incomplete Form.
5. TDS on dividend income will be deducted at lower/nil rate prescribed in the certificate issued u/s 197 of the IT Act, if valid certificate for financial year 2024-25 is submitted.
6. TDS will be deducted at higher rate of 20% from dividend payable to resident members who are identified as ‘specified person’ under Section 206AB of the IT Act on the basis of the mechanism prescribed by the CBDT. The Company will use the functionality “**Compliance Check for Sections 206AB & 206CCA**” available through reporting portal of the Income Tax Department to determine the applicability of Section 206AB of the IT Act.

B. For Non-resident Member(s):

1. TDS shall be deducted at the rate of 20% (plus applicable surcharge and cess) u/s 196D of the IT Act in case of Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs) and u/s 195 of the IT Act for other non-resident members.
2. TDS on dividend income will be deducted at lower/nil rate on submission of valid certificate for financial year 2024-25 issued u/s 197/195 of the IT Act.

COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd..)

3. Non-resident members may avail lower TDS rate as per Agreement for Avoidance of Double Taxation (DTAA) between India and the country of tax residence of the non-resident member, on furnishing the below specified documents:
 - a) Self-attested copy of PAN. In case PAN is not available, provide information and documents as mentioned in Rule 37BC(2) of the Income-Tax Rules, 1962 ("IT Rules");
 - b) Self-attested copy of valid Tax Residency Certificate (TRC) for current year obtained from the tax authorities of the country of which the member is a resident;
 - c) Copy of Form 10F to be filed electronically; and
 - d) Self-declaration on letterhead of having no Permanent Establishment in India, beneficial ownership of shares and eligibility to claim treaty benefits as per **Annexure 4**.
 - e) In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.

Please note that the application of beneficial DTAA rate at the time of tax deduction on dividend shall be subject to completeness and satisfactory review by the Company, of the documents submitted by the non-resident member(s).

C. Submission of documents and other matters:

1. The documents such as valid PAN, Form 15G/Form 15H/Self-declaration/documentary evidence etc. are required to be submitted, duly completed and signed, by email to mdpldc@yahoo.com or investorservices@chevjute.com or by post to the Registrar on or before Friday, 2nd August, 2024.
2. Members, who are eligible to obtain Aadhaar, are urged to verify their PAN-Aadhaar linking is done as per CBDT mandate to keep their PAN operative.
3. Please update/verify your PAN and the residential status as per IT Act, if not done so already, with your respective Depository Participant(s) (in case of shares held in dematerialised form) and with the Registrar (in case of shares held in physical form) on or before Friday, 2nd August, 2024.
4. TDS will be calculated based on details of first holder / registered member / beneficial owner only as appearing on Record Date. Once TDS is deducted, no transfer of such TDS in the name of another person shall be entertained under any circumstances.
5. TDS certificate will be sent to the members' registered email address in due course after payment of dividend and filing of TDS Return. Members will also be able to view the TDS details in Form 26AS by login to <https://eportal.incometax.gov.in/> provided that valid PAN is registered with the Company/Registrar/Depository Participant(s).
6. Pursuant to Rule 37BA(2) of the IT Rules, in case, the dividend income is assessable to tax in the hands of a person other than the registered Member as on the Record Date, Friday, 14th June, 2024, the registered member is required to furnish a declaration containing the name, address, PAN of the person to whom TDS credit is to be given and reasons for giving credit to such person on or before Friday, 2nd August, 2024. No request in this regard would be accepted by the Company/Registrar after the said date.
7. TDS on dividend in respect of ordinary shares of the Company, which have been transferred to Investor Education and Protection Fund ('IEPF') in terms of Section 124(6) of the Companies Act, 2013 and Rules framed thereunder shall be determined on the basis of the shareholding of respective members entitled to those shares.
8. In case of incomplete or conflicting information, or the valid information/documents not being provided, the Company will arrange to deduct tax at the maximum applicable rate. In case TDS is deducted at a higher rate, an option is still available with the member to file the return of income and claim an appropriate refund, if eligible. Once deducted and deposited, no claim shall lie against the Company in relation to TDS.

COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd..)

9. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the member(s), such member(s) will be responsible to indemnify the Company and also, provide the Company with all valid information / documents and co-operation in any tax proceedings.

D. Furnishing of PAN, Contact Details, Bank account details:

Members are requested to register / update their Bank account details to receive dividend directly in their bank account through Electronic Mode in a timely manner.

Shares held in physical form: Member(s) holding shares in physical form are requested to **submit** the following details / documents to the Registrar:

- a) Form ISR-1 along with supporting documents. The said form is available for download on the website(s) of the (<https://www.cheviotgroup.com>) and Registrar (<https://www.mdpl.in/>).
- b) Cancelled cheque in original having bank account number, MICR code, IFSC, etc. and bearing the name of the member or first holder, in case shares are held jointly. In case name of the holder is not available on the cheque, kindly submit the cancelled cheque in original alongwith Bank attested legible copy of the first page of the Bank Passbook / Bank Statement bearing the names of the account holders, address, same bank account number and type as on the cheque leaf and full address of the bank branch.
- c) Self-attested copy of the PAN Card of all the holders; and
- d) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the first holder as registered with the Company.

Further, member(s) holding shares in physical form, whose folio(s) do not have PAN, contact details, bank account details or specimen signature updated, shall be eligible to receive dividend **only through electronic mode**, after furnishing PAN and KYC details to the Registrar. An intimation shall be sent to the registered address of such member(s) whose folio is incomplete, informing that dividend is due and shall be made electronically only upon complying with the requirements of furnishing PAN and KYC details to the Registrar.

Shares held in demat form: Members holding shares in demat form may please note that their bank account details as recorded with their respective Depository Participant(s) will be considered for remittance of dividend and the Company will not be able to accede to any direct request from such members for change/addition/deletion in such bank details. Accordingly, members holding shares in demat form are requested to ensure that their Electronic Bank Mandate is updated with their respective Depository Participant(s).

By Order of the Board of Directors
of **Cheviot Company Limited**

Sd/-

Aditya Banerjee

Company Secretary and Compliance Officer

FCS 10954

Kolkata, 24th May, 2024

CIN: L65993WB1897PLC001409

Registered Office: 24, Park Street, Celica House, 9th Floor, Celica Park, Kolkata - 700 016

Ph: +91 82320 87911/12/13 | Email: cheviot@chevjute.com | Website: www.cheviotgroup.com

Disclaimer: This communication should not be treated as an advice on tax matters from the Company or its Registrar, M/s Maheshwari Datamatics Private Limited. Members should consult with their own tax advisors for proper understanding of the tax provisions applicable in their case.

COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd..)

ANNEXURE – 1

FORMAT FOR DECLARATION REGARDING CATEGORY AND BENEFICIAL OWNERSHIP OF SHARES

Date:

To,
Cheviot Company Limited
 24, Park Street,
 Celica House, 9th Floor, Celica Park
 Kolkata 700 016

Subject: Declaration regarding Category and Beneficial Ownership of shares

Ref: PAN < Mention PAN of Member >

Folio Number/DP ID/Client ID – < Mention all the account details >

With reference to the captioned subject, and in relation to the appropriate withholding of taxes on the Dividend payable to me/us by **Cheviot Company Limited** (the Company), I/We hereby declare as under:

1. I/We,<mention Full name of the member >, holding< mention number of shares held> ordinary share(s) of the Company as on the Record Date, hereby declare that I am/we are tax resident of India for the period April 2024-March 2025.

2. I/We hereby declare that <Select whichever is applicable>:

<input type="checkbox"/>	We are an Insurance Company and are the beneficial owner of the share(s) held in the Company and we are submitting self-attested copy of PAN Card.
<input type="checkbox"/>	We are a Mutual Fund specified in Section 10(23D) of the Income Tax Act, 1961 (the IT Act) and are the beneficial owner of the share(s) held in the Company and we are submitting self-attested copy of PAN Card and registration certificate.
<input type="checkbox"/>	We are Alternative Investment fund established in India and are the beneficial owner of the share(s) held in the Company and our income is exempt under Section 10(23FBA) of the IT Act and is governed by SEBI regulations as Category I or Category II AIF and we are submitting self-attested copy of the PAN card and registration certificate.
<input type="checkbox"/>	I/We are<mention category of the entity> and are the beneficial owner of the share(s) held in the Company and are not subject to tax deduction at source under Section 196 of the IT Act and we are submitting self-attested copy of the documentary evidence supporting the exemption status along with self-attested copy of PAN card.

3. I/ We further indemnify the Company for any penal consequences arising out of any act of commission or omission initiated by the Company by relying on my/our above statement.

4. I/We hereby confirm that the above declaration should be considered to be applicable for all the shares held in the Company under PAN/ Folios declared in this form.

For.....<Mention the name of the payee>

Authorised Signatory

<Name of the person signing>

<Designation of the person signing>



COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd.)

ANNEXURE – 2

FORM NO. 15G

[See section 197A(1), 197A(1A) and rule 29C] [e-Form]

Declaration under section 197A(1) and section 197A(1A) to be made by an individual or a person (not being a company or firm) claiming certain incomes without deduction of tax

PART I

1. Name of Assessee (Declarant)		2. Permanent Account Number or Aadhaar Number of the Assessee		
3. Status	4. Previous year (P.Y.) (for which declaration is being made)		5. Residential Status	
6. Flat/Door/Block No.	7. Name of Premises	8. Road/Street/Lane		9. Area/Locality
10. Town/City/District	11. State	12. PIN		13. Email
14. Telephone No. (with STD Code) and Mobile No.		15. (a) Whether assessed to tax under the Income-tax Act, 1961 (b) If yes, latest assessment year for which assessed		<input type="checkbox"/> Yes <input type="checkbox"/> No
16. Estimated income for which this declaration is made		17. Estimated total income of the P.Y. in which income mentioned in column 16 to be included		
18. Details of Form No.15G other than this form filed during the previous year, if any				
Total No. of Form No.15G filed		Aggregate amount of income for which Form No.15G filed		
19. Details of income for which the declaration is filed				
Sl. No	Identification number of relevant investment/account, etc.	Nature of income	Section under which tax is deductible	Amount of income

.....
Signature of the Declarant

Declaration/Verification

*I/We.....do hereby declare that to the best of *my/our knowledge and belief what is stated above is correct, complete and is truly stated. *I/We declare that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961. *I/We further declare that the tax *on my/our estimated total income including *income/incomes referred to in column 16 *and aggregate amount of *income/incomes referred to in column 18 computed in accordance with the provisions of the Income-tax Act,1961, for the previous year ending on relevant to the assessment year will be nil. *I/We also declare that *my/our *income/incomes referred to in column 16 *and the aggregate amount of *income/incomes referred to in column 18 for the previous year ending on relevant to the assessment year will not exceed the maximum amount which is not charge-able to income-tax.

Place:

Date:

Signature of the Declarant

PART II

[To be filled by the person responsible for paying the income referred to in column 16 of Part I]

1. Name of the person responsible for paying		2. Unique Identification No.		
3. Permanent Account Number or Aadhaar Number of the person responsible for paying	4. Complete Address		5. TAN of the person responsible for paying	
6. Email	7. Telephone No. (with STD Code) and Mobile No.		8. Amount of income paid	
9. Date on which Declaration is received (DD/MM/YYYY)			10. Date on which the income has been paid/credited (DD/MM/YYYY)	

Place:

Date:

Signature of the person responsible for paying the income referred to in column 16 of Part I

* delete whichever is not applicable.

COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd.)

ANNEXURE – 3

FORM NO. 15H

[See section 197A(1C) and rule 29C] [e-Form]

Declaration under section 197A(1C) to be made by an individual who is of the age of sixty years or more claiming certain incomes without deduction of tax.

PART I

1. Name of Assessee (Declarant)		2. Permanent Account Number or Aadhaar Number of the Assessee		3. Date of Birth (DD/MM/YYYY)	
4. Previous year (P.Y.) (for which declaration is being made)		5. Flat/Door/Block No.		6. Name of Premises	
7. Road/Street/Lane	8. Area/Locality	9. Town/City/District	10. State		
11. PIN	12. Email	13. Telephone No. (with STD Code) and Mobile No.			
14 (a) Whether assessed to tax: <input type="checkbox"/> Yes <input type="checkbox"/> No (b) If yes, latest assessment year for which assessed					
15. Estimated income for which this declaration is made			16. Estimated total income of the P.Y. in which income mentioned in column 15 to be included		
17. Details of Form No.15H other than this form filed for the previous year, if any					
Total No. of Form No.15H filed			Aggregate amount of income for which Form No.15H filed		
18. Details of income for which the declaration is filed					
Sl. No.	Identification number of relevant investment/ account, etc.	Nature of income	Section under which tax is deductible	Amount of income	

.....
Signature of the Declarant

Declaration/Verification

Ido hereby declare that I am resident in India within the meaning of section 6 of the Income-tax Act, 1961. I also hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated and that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961. I further declare that the tax on my estimated total income including *income/incomes referred to in column 15 *and aggregate amount of *income/incomes referred to in column 17 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on relevant to the assessment year will be nil.

Place:

Date:

Signature of the Declarant

PART II

[To be filled by the person responsible for paying the income referred to in column 15 of Part I]

1. Name of the person responsible for paying		2. Unique Identification No.	
3. Permanent Account Number or Aadhaar Number of the person responsible for paying		4. Complete Address	
5. TAN of the person responsible for paying		6. Email	
7. Telephone No. (with STD Code) and Mobile No.		8. Amount of income paid	
9. Date on which Declaration is received (DD/MM/YYYY)		10. Date on which the income has been paid/ credited (DD/MM/YYYY)	

Place:

Date:

Signature of the person responsible for paying the income referred to in column 15 of Part I

* delete whichever is not applicable.



COMMUNICATION ON TAX DEDUCTION ON DIVIDEND (Contd..)

ANNEXURE – 4

FORMAT FOR DECLARATION FOR CLAIMING BENEFITS UNDER DTAA

Date:

To,

Cheviot Company Limited

24, Park Street, Celica House, 9th Floor, Celica Park
Kolkata 700 016

Subject: Declaration for eligibility to claim benefit under Agreement for Avoidance of Double Taxation between Government of India and Government of..... <Mention country of tax residency> (“DTAA”), as modified by Multilateral Instrument (“MLI”), if applicable

With reference to above, I/We wish to declare as below:

1. I / We, <Full name of the member>, having permanent account number (PAN) under the Income Tax Act, 1961 (“the IT Act”) <mention PAN>, if available, and holding <mention number of shares held> ordinary shares of the Company under demat account number/folio number..... as on the record date, am / are a tax resident of <country name> in terms of Article 4 of the DTAA as modified by MLI (if applicable) and do not qualify as a ‘resident’ of India under Section 6 of the IT Act. A copy of the valid tax residency certificate for <period>, which is valid as on the Record Date, is attached herewith.
2. I/We am/are eligible to be governed by the provisions of the DTAA as modified by MLI (if applicable), in respect of the dividend income and meet all the necessary conditions to claim treaty rate.
3. I/We am/are the legal and beneficial owner of the dividend income to be received from the Company.
4. I/We do not have a Permanent Establishment (“PE”) in India in terms of Article 5 of the DTAA as modified by MLI (if applicable) or a fixed base in India and the amounts paid/payable to us, in any case, are not attributable to the PE or fixed base, if any, which may have got constituted otherwise.
5. I/We do not have a PE in a third country and the amounts paid/payable to us, in any case, are not attributable to a PE in third jurisdiction, if any, which may have got constituted otherwise.
6. I/We do not have a Business Connection in India according to the provision of Section 9(1)(i) of the IT Act and the amounts paid/payable to us, in any case, are not attributable to business operations, if any, carried out in India.
7. I/We confirm that my affairs/affairs of <Full name of the member> were arranged such that the main purpose or the principal purpose thereof was not to obtain tax benefits available under the applicable tax treaty.
8. Further, my/our claim for relief under the tax treaty is not restricted by application of Limitation of Benefit clause, if any, thereunder.
9. I/We hereby certify that the declarations made above are true and bonafide. In case in future, any of the declarations made above undergo a change, I/we undertake to promptly intimate you in writing of the said event. You may consider the above representations as subsisting unless intimated otherwise.
10. In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by me/us, I/We will be responsible to pay and indemnify such income tax demand (including interest, penalty, etc.) and provide the Company with all information / documents that may be necessary and co-operate in any proceedings before any income tax / appellate authority.

For.....<Mention the name of the payee>

Authorised Signatory

<Name of the person signing>

<Designation of the person signing>



CHEVIOT
SINCE 1897

CIN - L65993WB1897PLC001409

24, Park Street,

Celica House, 9th Floor, Celica Park,

Kolkata -700 016, West Bengal

Ph: +91 82320 87911/12/13 | Email: cheviot@chevjute.com

Website: www.cheviotgroup.com