

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

27th June, 2024

To,
BSE LIMITED
P J Towers, Dalal Street,
Mumbai -400001, India

Scrip Code: 512103

Dear Sir/Madam,

- Sub: 1. Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Electronic copy of Notice of 42nd Annual General Meeting ("AGM") and the Annual Report for the Financial year 2023-2024.**
- 2. Intimation of cut-off date to determine the eligibility of members to cast their votes through remote e-voting and e-voting during the 42nd Annual General Meeting**

Pursuant to applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we wish to inform you that the 42nd Annual General Meeting ("AGM") of the Company will be held on Tuesday, 23rd July, 2024 at 11:30 a.m. (IST), through Video Conferencing/Other Audio-Visual Means("VC/OAVM").

We are enclosing electronic copy of the Annual Report for the financial year ended 31st March, 2024 including the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2024 and the Notice of the 42nd AGM which is being sent by email to those Members whose email addresses are registered with the Company/Depository Participant(s). The Annual Report and Notice of the 42nd AGM are available on the website of the Company at: <https://nidhigranites.com/investor.php>

In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has fixed Tuesday, 16th July, 2024 as the cut-off date to determine the eligibility of the Members to cast their vote by remote e-voting and e-voting during the 42nd AGM to be held on Tuesday, 23rd July, 2024 through VC/OAVM facility.

Please take the same on record.

Yours Faithfully,

For **Nidhi Granites Limited**

DARPAN Digitally signed by
DARPAN SHAH
SHAH Date: 2024.06.27
12:37:27 +05'30'

Darpan Shah
Managing Director
DIN: 07650896
Encl: As above

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

42nd Annual Report 2023-2024

NIDHI GRANITES LIMITED

REGISTERED OFFICE:

503, MADHU INDUSTRIAL PARK,
MOGRA CROSS ROAD, NEXT TO
APOLLO CHAMBERS, ANDHERI EAST
MUMBAI - 400 069.

CIN: L51900MH1981PLC025677

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COMPANY INFORMATION

BOARD OF DIRECTORS

Executive Director

Mr. Darpan Shah	Managing Director
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Non-Executive Director

Ms. Shreya Pandya	Director
Mr. Devan Pandya	Chairperson and Director
Mr. Amit Sinkar	Independent Director
Mr. Amit Patankar	Independent Director

CHIEF FINANCIAL OFFICER

Ms. Kavita Shah

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Krutika Shinde (upto 30th March, 2023)
Ms. Swapna Shivashankaran (w.e.f 1st October, 2023)

❖ STATUTORY AUDITORS

**M/s. Jogin Raval & Associates,
Chartered Accountants**

B- 101/102, Shree Sai Tower CHS, Sodawala Lane
Nutan Nagar, Borivali West, Mumbai 400092.

❖ SECRETARIAL AUDITORS

**Dholakia & Associates LLP
Practicing Company Secretaries**

MHB-11, A-302, Sri Sarvodaya CHS, Kher Nagar,
Near Bhavishya Nidhi Bhavan, Bandra East,
Mumbai 400 051

❖ REGISTERED OFFICE

503, Madhu Industrial Park, Mogra Cross road,
next to Apollo Chambers, Andheri East, Mumbai 400069

❖ REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited

C 101, 247 Park, LBS Road, Vikhroli West, Mumbai, Maharashtra - 400083.

Email id: rnt.helpdesk@linkintime.co.in

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NOTICE

NOTICE is hereby given that the **42nd** Annual General Meeting of the members of **Nidhi Granites Limited** will be held on **Tuesday, 23rd July, 2024 at 11.30 a.m.** (IST) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) to transact the following business mentioned below. Venue of the meeting shall be deemed to be the Registered office of the Company: 503, Madhu Industrial Park, Mogra Cross road, next to Apollo Chambers, Andheri East, Mumbai 400069.

ORDINARY BUSINESS:

ITEM NO. 1

To receive, consider and adopt

- a. the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and the statutory auditors thereon.
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the statutory auditors thereon.

ITEM NO. 2

To appoint a director in place of Mr. Devan Pandya (DIN: 09065430), who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT Mr. Devan Pandya (DIN: 09065430), a Director retiring by rotation at this meeting and being eligible for re-appointment be and is hereby re-appointed as a Director of the Company whose term of office shall be liable to determination by retirement by rotation.”

**For and on behalf of the Board
For Nidhi Granites Limited**

Place: Mumbai
Date: 28th May, 2024
Regd. Office:
503, Madhu Industrial Park,
Mogra Cross Road,
Next to Apollo Chambers, Andheri East,
Mumbai - 400 069.

CIN: L51900MH1981PLC025677

Email: nglindia2021@gmail.com

Website: www.nidhigranites.com

Sd/-
Devan Pandya
Director
DIN: 09065430

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NOTES:

1. The Ministry of Corporate Affairs, Government of India (“MCA”) has vide its circular No. 9/2023 dated 25th September 2023, read with circulars dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021 and 28th December 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing facility/ Other Audio Visual Means (“VC/OAVM”), on or before 30th September 2024, without the physical presence of the shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 (“the Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 42nd AGM of the Company is being held through VC/OAVM.
2. The Company has availed the services of Central Depository Services (India) Limited (“CDSL”) for conducting the AGM through VC/OAVM and enabling participation of shareholders at the meeting thereto and for providing services of remote e-voting and e-voting during the AGM.
3. Pursuant to the provisions of the Act, a shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a shareholder of the Company. As this AGM is being held pursuant to the MCA Circulars on AGM through VC/OAVM, physical attendance of shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the AGM and hence the proxy form, attendance slip and route map are not annexed to this Notice.
4. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act, shall be made available for inspection in accordance with the applicable statutory requirements based on the requests received by the Company at nglindia2021@gmail.com.
5. Pursuant to Sections 101 and 136 of the Act read with the relevant Rules made thereunder and Regulation 36 of the SEBI Listing Regulations read with SEBI circular No. SEBI/HO/CFD/CFD/-PoD-2/P/CIR/2023/167 dated 7th October 2023, companies can send Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail addresses either with the Company or with the Depository Participant(s). Accordingly, the Annual Report containing financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith), and such statements including the Notice of 42nd AGM are being sent through electronic mode to those shareholders whose email address is registered with the Company or the Depositories. Physical copy of the Annual Report shall be sent to those shareholders who request for the same.
6. The Notice and Annual Report will also be available on the website of the Company www.nidhigranites.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com. The attendance

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of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. The recorded transcript of the AGM will be hosted on the website of the Company.
8. Shareholders, whose email address is not registered with the Company /RTA or with their respective Depository Participant(s) are requested to register their e-mail address in the following manner:
 - Shareholders holding shares in physical form can register their e-mail id with the RTA by sending an e-mail to RTA at rnt.helpdesk@linkintime.co.in.
 - Shareholders holding shares in demat mode may update the e-mail address through their respective Depository Participant(s).Please note that registration of e-mail address and mobile number is now mandatory while voting electronically and joining virtual meetings.
9. In terms of the SEBI Listing Regulations, securities of listed companies can now only be transferred in dematerialized form, so the shareholders are advised to dematerialize shares held by them in physical form.
10. To prevent fraudulent transactions, shareholders are advised to exercise due diligence and notify the Company of any change in address or demise of any shareholder as soon as possible. The shareholders are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
11. The Securities and Exchange Board of India (“SEBI”) has mandated furnishing of PAN, KYC details (i.e., postal address with pin code, e-mail address, mobile number, bank account details) and nomination details by holders of securities. Shareholders are requested to update the said details against folio/ demat account.
12. SEBI vide Circular no. SEBI/HO/OIAE/ OIAE_IAD-1/P/ CIR/2023/131 dated 31st July 2023 (updated as on 4th August 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/they can initiate dispute resolution through the Online Dispute Resolution (“ODR”) Portal. Shareholders are requested to take note of the same.
13. The Company’s Equity shares are listed on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 and the Company has paid the Annual Listing Fees to the said Stock Exchange for the year 2023-2024.
14. Members are requested to send all communication relating to shares to the Company’s Registrar and Share Transfer Agent at Link Intime India Private Limited, C 101, 247 Park, LBS Road, Vikhroli West, Mumbai, Maharashtra – 400083.

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15. Instructions for E –Voting

- a. Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the **Tuesday, 16th July, 2024** only shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences on **Friday, 19th July, 2024 at 9:00 a.m. IST and ends on Monday, 22nd July, 2024 at 5:00 p.m. IST**. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/it shall not be allowed to change it subsequently.
- b. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.
- c. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- d. In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers (“ESPs”), thereby facilitating seamless authentication and convenience of participating in e-voting process.

16. The procedure for remote e-voting is as under:

- A. The detailed process and manner for remote e-voting for individual shareholders holding securities in Demat mode are explained herein below:**

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Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting

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	<p>your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

B. Login method for e-voting and joining virtual meeting for shareholders holding shares in physical mode and nonindividual shareholders holding shares in demat form

- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on “Shareholders” module.
- (iii) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (vi) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

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Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none">• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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C. Additional Facility for Non – Individual Shareholders and Custodians

- (i) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- (ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- (iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- (iv) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- (v) It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; nglindia2021@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

17. Instructions for Members attending the AGM through VC/OAVM:

- (i) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to

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Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance mentioning their name, demat account number/folio number, email id, mobile number at nglindia2021@gmail.com.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

18. **Process for those shareholders whose email/mobile no. are not registered with the company/depositories.**

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- (ii) For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**.
- (iii) **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQS”) and e-voting manual available at www.evotingindia.com under help section or Mr. Rakesh Dalvi, Manager, (022-23058542) (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

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ANNEXURE TO ITEM NO. 2 TO THE NOTICE OF THE AGM

As required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial Standard on General Meetings, brief profile of the Directors retiring by rotation/ seeking appointment/ re-appointment at the ensuing Annual General Meeting, is given below:

Name of the Director	Mr. Devan Pandya
Brief Profile	He is a Chartered Accountant and a senior Banking professional with vast work experience in the financial service sector managing Financial Institutions, Banks and PSUs. He has worked with Institutions like Bank of Baroda AMC, ICICI Bank Ltd, Kotak Mahindra Bank Ltd, IndusInd Bank Ltd etc. He has an excellent corporate network, Expertise in Formulating and Implementing Business Strategies, Identifying & Developing business opportunities. His key strengths include Deal Structuring and Negotiation Skills, Execution Capabilities, strong Credit Assessment and Team Management.
Director Identification Number	09065430
Date of Birth	11/04/1975
Date of Appointment	19/02/2021
Age	49 years
Qualifications	Chartered Accountant ("CA")
Expertise in specific functional areas	Accounts, Audit and Taxation
Directorship in other Companies	Nil
Chairperson/Member of the Committees of the Board of Directors of the Company	Nil
Chairperson/Member of the Committees of the Board of Directors of the other Companies in which He/she is a Director	Nil
No. of shares in the Company as on the date	26,59,684

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Inter-se Relationship between Directors	Husband of Mrs. Shreya Pandya, Director
Number of Meetings attended during the year	8 out of 8
Terms and conditions of appointment / re-appointment and remuneration	Non-executive Non-Independent Director, liable to retire by rotation
Skills and capabilities required for the role and the manner in which the proposed Independent Director meets such requirements	N.A.
Details of remuneration last drawn	N.A.
Details of proposed remuneration	N.A.

For and on behalf of the Board
For Nidhi Granites Limited

Place: Mumbai
Date: 28th May, 2024
Regd. Office:
503, Madhu Industrial Park,
Mogra Cross Road,
Next to Apollo Chambers, Andheri East,
Mumbai - 400 069.
CIN: L51900MH1981PLC025677
Email: nglindia2021@gmail.com
Website: www.nidhigranites.com

Sd/-
Devan Pandya
Director
DIN : 09065430

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BOARD'S REPORT

Dear Members,

The Board of Directors present their 42nd Annual Report on the business and operations of your Company along with the audited financial statements for the financial year ended on 31st March, 2024.

The Financial Statement, Auditors' Report, Board's Report and attachment thereto have been prepared in accordance with the provisions contained in Section 134 of Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014.

1. FINANCIAL RESULTS

(Amount in Rupees in lakhs)

Particulars	Standalone		Consolidated	
	Financial Year ended 31 st March, 2024	Financial Year ended 31 st March, 2023	Financial Year ended 31 st March, 2024	Financial Year Ended 31 st March, 2023
Revenue from Operations (Share Trading)	28.47	28.50	3851.14	2529.25
Other Income	25.42	25.30	57.72	38.34
Total Income	53.90	53.79	3908.86	2567.59
Total Expenditure	47.57	39.13	3741.35	2459.18
Gross Profit/(Loss) before Depreciation and Tax	6.32	14.67	167.51	108.41
Less: Depreciation	-	-	71.94	45.12
Profit/(Loss) before tax	6.32	14.67	95.57	63.29
Less: Tax expense	3.28	3.68	27.12	19.60
Other comprehensive income for the year			(0.47)	-
Profit/(Loss) for the year	3.04	10.98	67.99	43.69

2. RESERVES

The Company has not transferred any amount to General Reserves.

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

3. PERFORMANCE AND AFFAIRS OF THE COMPANY

The performance of your Company has been steadily improving. The Company is hopeful that it can leverage improvements in the business environment while also implementing expense controls to enhance its performance.

4. DIVIDEND

Directors do not recommend any dividend for the current year under review.

5. SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 10 Cr/- (Rupees Ten Crores Only).

During the year the company allotted-

- a. 13,47,805 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up with a premium of Rs. 19/- (Rupees Nineteen Only) per share on 14th August, 2023 upon conversion of 13,47,805 warrants on preferential basis.
- b. 40,00,000 bonus equity shares in the proportion of 1 (One) new fully paid-up equity share of Rs. 10/- (Rupees Ten Only) each for every 1 (One) existing fully paid-up equity share of Rs. 10/- (Rupees Ten Only) each to the shareholders of the Company.

Considering the changes in paid up capital as stated above, the paid-up capital of the Company has been increased from Rs. 2.6522 Cr/- (Rupees Two Crores Sixty-Five Lakhs Twenty-Two Thousand Only) to Rs. 8 Cr/- (Rupees Eight Crores Only).

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company on 31st March, 2024 and on the date of this report.

7. PROMOTERS

There were no changes in the promoters of the Company during the financial year.

8. CHANGE(S) IN THE NATURE OF BUSINESS

There were no material changes with regard to the nature of business of the Company.

9. PUBLIC DEPOSITS

During the financial year under review, the company has not accepted any deposits from public and shareholders and as such, no amount on account of principal on deposits from public was outstanding as on the date of the Balance Sheet.

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CIN- L51900MH1981PLC025677

10. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has Two Wholly owned Subsidiaries i.e., SPNP Paper and Pack Private Limited and Yug Fashion Garments Private Limited and one step-down Subsidiary i.e., Fine Papyrus Private limited as on 31st March, 2024 and there has been no material changes in the nature of the business.

In accordance with Section 129(3) of the Companies Act, 2013, your Company has prepared consolidated financial statements of the Company, which form part of the Annual Report.

A Statement in Form AOC-1 (Annexure-A) of Associate Company as prescribed under section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is annexed and is forming part of the Annual Report.

The Company is not having any associate and joint venture Company.

11. BOARD MEETINGS

During the Financial year, total 8 (Eight) meetings of the Board of Directors were held on 10th May, 2023, 29th May, 2023, 14th August, 2023, 11th September, 2023, 6th October, 2023, 13th November, 2023, 14th February, 2024 and 15th March, 2024. The attendance record of all Directors is as under:

Name of the Directors	No. of Board Meetings		Attendance at last AGM held on 22 nd July, 2023
	Held	Attended	
Mr. Darpan Shah	8	8	Yes
Mr. Devan Pandya	8	8	Yes
Mrs. Shreya Pandya	8	8	Yes
Mr. Amit Sinkar	8	8	Yes
Mr. Amit Patankar	8	8	Yes

The proceedings were properly recorded and signed in the minutes book maintained for the purpose. The maximum gap between any two meetings was less than 120 days.

During the year the Annual General Meeting (AGM) was held on 22nd July, 2023 and the proceedings of the meetings were properly recorded and signed in the Minutes Book maintained for the purpose.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Directors and Key Managerial Personnel

Ms. Swapna Shivashankaran was appointed as Company Secretary and Compliance Officer of the Company with effect from 1st October, 2023.

NIDHI GRANITES LIMITED

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(ii) Directors retire by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Darpan Shah, Managing Director, Mr. Devan Pandya, Director and Chairperson and Mrs. Shreya Pandya, Director of the Company, are directors who are liable to retire by rotation at Annual General Meeting. In terms of Section 152 of the Companies Act, 2013, Mr. Devan Pandya, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Mr. Devan Pandya has confirmed that he is not disqualified for appointment as director under Section 164 of the Act and has offered himself for re-appointment. Details of the Director proposed to be re-appointed at the ensuing Annual General Meeting, as required by Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR), Regulation 2015") and SS-2 (Secretarial Standards on General Meetings) are provided in the Notice convening the 42nd Annual General Meeting of the Company.

(iii) Declaration by Independent Directors(s)

The Company has complied with Regulation 25 of SEBI (LODR), Regulation 2015 and pursuant to the provisions of section 149(6) of the Companies Act, 2013, the Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

Further, the Independent Directors possess integrity and necessary expertise and experience (including the proficiency) which bring tremendous value to the Board and to the Company

(iv) Annual Evaluation of Board

In compliance with the provisions of the Companies Act, 2013 and Regulation 25 of SEBI (LODR), Regulation 2015, the Board has carried out the annual performance evaluation of its own performance and other Directors. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairperson of the Company, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, promotion of participation by all directors and developing consensus amongst the directors for all decisions.

13. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the profit of the Company for the year ended on that date;

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- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis;
- (v) the Directors have laid down proper systems for financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. COMMITTEES AND POLICIES OF THE COMPANY

(1) Audit Committee

The Audit Committee of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013. The Audit Committee comprises of:

1. Mr. Darpan Shah – Managing Director
2. Mr. Amit Sinkar- Independent Director
3. Mr. Amit Patankar – Independent Director

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act. Internal Auditors and Statutory Auditors are permanent invitees to the Audit Committee meetings.

The Audit Committee met Five (5) times during the year on 29th May, 2023, 14th August, 2023, 13th November, 2023, 14th February, 2024, 15th March, 2024.

Name of the Member	No of Meetings attended
Mr. Darpan Shah	5
Mr. Amit Sinkar	5
Mr. Amit Patankar	5

(2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of Directors was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of:

1. Mrs. Shreya Pandya–Director
2. Mr. Amit Sinkar- Independent Director
3. Mr. Amit Patankar – Independent Director

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The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Committee met on 11th September, 2023 during the year.

Name of the Member	No of Meetings attended
Mrs. Shreya Pandya	1
Mr. Amit Sinkar	1
Mr. Amit Patankar	1

(3) Risk Management

The Board of Directors of the Company have a mechanism for Risk Management to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses and define a structured approach to manage uncertainty and to make use of these in their decision-making pertaining to all business divisions and corporate functions. Key business risks and their mitigations are considered in the annual/strategic business plans and in periodic management reviews. At present there is no identifiable risk which, in the opinion, of the Board may threaten the existence of the Company.

(4) Whistle Blower/ Vigil Mechanism

Your Company has established a whistle Blower/Vigil Mechanism pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with the Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 through which its Employees and Directors can report the genuine concern about unethical behaviors, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The said policy provides for adequate safeguards against victimization and also direct access to the higher levels of supervisions. No case was reported to the Audit Committee during the year under review.

(5) Disclosure Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable to your Company.

(6) Corporate social responsibility

The provisions of the Section 135 the Act, are not applicable to the Company.

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15. LISTING OF SHARES AND DEPOSITORIES

Your Company's shares are listed on BSE Limited (BSE). Your Directors wish to state that the Equity Shares of your Company are compulsorily traded in the dematerialized form. Presently Equity Shares held by Promoters are in electronic/dematerialized form.

16. CORPORATE GOVERNANCE AND REPORT THEREON

Pursuant to Regulation 15(2) of SEBI (LODR) Regulations, 2015 the compliance with the Corporate Governance provisions 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 is not applicable to the Company as the paid-up share capital is less than Rs. 10/- Crores (Rupees Ten Crores Only) and net worth is also less than Rs. 25/- Crores (Rupees Twenty-Five Crores Only) as on the last day of previous financial year. Hence, Corporate Governance Report is not furnished.

17. STATEMENT SHOWING THE DETAILS OF EMPLOYEES OF THE COMPANY PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

None of the employees of the Company is in receipt of remuneration prescribed under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

18. ANNUAL RETURN

Annual Return for the financial year ended 31st March, 2024 is available on the website of the Company i.e. www.nidhigranites.com.

19. AUDITORS

(i) STATUTORY AUDITOR

The Statutory Auditors of your Company namely, M/s. Jogin Raval & Associates, Chartered Accountant were appointed for a period of five years at the Annual General Meeting held on 29th September, 2021. Auditors had confirmed their eligibility and submitted the Certificate in writing that they are not disqualified to hold office of the Statutory Auditor. There were no reservations / qualifications or adverse remarks contained in Auditor's Report.

(ii) SECRETARIAL AUDITOR

Pursuant to provision of Section 204 of the Act and the rules framed there under, the Board has appointed Dholakia & Associates LLP, Company Secretaries in whole time Practice to undertake the Secretarial Audit of the Company for the financial year 2023-24. The Report of the Secretarial Audit Report is annexed herewith as "Annexure B".

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(iii) COST AUDITOR

The Company is not required to appoint Cost Auditor as it is not required to submit cost audit report or maintain cost records pursuant to the provisions of the Companies (Cost Record and Audit) Rules, 2014.

(iv) INTERNAL AUDITOR

The Company has appointed Mr. D. N. Joshi., Chartered Accountant having **RN NO: 17226** as an Internal Auditor of the Company for the Financial year 2023-2024.

20. MAINTENANCE OF COST RECORDS

Maintenance of cost records as specified by Central Government under Section 148(1) of the Companies Act, 2013, is not applicable to the Company.

21. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the internal Auditor of the Company for inefficiency or inadequacy of such controls.

22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

(i) Details of loans, guarantees and securities

The company has not granted any loans or given guarantees during the year under review.

(ii) Details of investments

The details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the financial statements under note no 3.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards under note no. 21 Approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a

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quarterly basis, specifying the nature, value and terms and conditions of the transactions and to the Board as well.

24. HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

Your Company has complied with all the applicable environmental laws and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker/employee protection and safety.

25. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of being environmentally clean and has safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources. There was no accident during the year.

26. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required by Regulation 34(2) (f) of the Listing Regulations is not applicable to your Company for the financial year ended 31st March, 2024.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are given as under:

Energy Conservation: N.A.

Technology Absorption: N.A.

Foreign Exchange Earnings and outgo: Nil

28. INTERNAL CONTROL SYSTEMS:

Adequate internal control systems commensurate with the nature of the Company's business, size and complexity of its operations are in place. It has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

29. GREEN INITIATIVES

Pursuant to Sections 101 and 136 of the Companies Act, 2013, the Company has been transmitting Annual Report through electronic mode (e-mail) to all the shareholders who have registered their

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CIN- L51900MH1981PLC025677

e-mail addresses with the Company or with the Depository to receive Annual Report through electronic mode. This will help reduce consumption of paper.

30. SECRETARIAL STANDARDS

It is hereby confirmed that the Company has generally complied with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

31. GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.
2. The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.
3. The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.
4. During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, hence no information is furnished.
5. No order has been passed by any regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.
6. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof - Not Applicable
7. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year - Not Applicable.

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32. ACKNOWLEDGEMENT

Your Directors wish to thank various stakeholders, for their co-operation, support and valuable guidance to the Company. Your Directors also wish to place on record their appreciation for the committed services of all the Employees of the Company.

**For and on behalf of the Board
For Nidhi Granites Limited**

**Place: Mumbai
Date: 28th May, 2024**

**Sd/
Devan Pandya
Chairperson
DIN: 09065430**

**Regd. Office:
503, Madhu Industrial Park,
Mogra Cross Road,
Next to Apollo Chambers, Andheri East,
Mumbai - 400 069.
CIN : L51900MH1981PLC025677
Email : nglindia2021@gmail.com
Website: www.nidhigranites.com**

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CIN- L51900MH1981PLC025677

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This report discusses and analyses the business performance for the year ended 31st March, 2024.

1) INDUSTRY STRUCTURE AND DEVELOPMENT

The Company is facing challenges in its core business activities and in order to deploy its resources productively, the Company has started focusing in the business activities pertaining to Trading in securities.

2) OUTLOOK

The Company's business prospects are closely linked to the economic environment prevailing locally and globally. Given the challenging market environment and stiff competition, it is difficult to make an optimistic prediction for business prospect in the coming year.

3) OPPORTUNITIES AND THREATS

The Company does not have any business during the year, hence company cannot ascertain any opportunities and threats.

4) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control and Internal Audit Systems commensurate with its size and nature of business. To make the internal control system more effective and project specific, a comprehensive internal audit manual is in place with guidelines for internal auditors.

5) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review the Company has gained a profit of Rs. 6.32 Lakhs (Rupees Six Lakhs Thirty-Two Thousand Only) (previous year profit of Rs. 14.67 lakhs (Rupees Fourteen Lakhs Sixty-Seven Thousand Only)) after providing depreciation.

6) RISK AND CONCERNS

The Company recognizes that managing business risk is an integral part of generating substantial and sustainable shareholder value. This positive interpretation of risk reflects the new understanding of the connection between well managed risk and improved performance. Hence the Management has always been proactive on risk identification and its mitigation.

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7) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company did not appoint any employee during the year. Therefore, the requirement for material developments in Human resources does not arise

8) CAUTIONARY STATEMENT

The statements in report of the Board of Directors and the Management Discussion & Analysis Report describing the Company's outlook, estimates or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company takes no responsibility for keeping the Members updated on changes in these factors except as may be statutorily required from time to time.

**For and on behalf of the Board
For Nidhi Granites Limited**

Sd/-

**Devan Pandya
DIN: 09065430
Chairperson**

**Place: Mumbai
Date: 28th May, 2024**

**Regd. Office:
503, Madhu Industrial Park,
Mogra Cross Road,
Next to Apollo Chambers, Andheri East,
Mumbai - 400 069.**

CIN: L51900MH1981PLC025677

Email: nglindia2021@gmail.com

Website: www.nidhigranites.com

NIDHI GRANITES LIMITED

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ANNEXURE-A

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries or associate companies or Joint ventures

Part A Subsidiaries:

1. S. No: **1**
 2. Name of the subsidiary: **SPNP Paper and Pack Private Limited**
 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **No**
 4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: **No**
 5. Share capital: **Rs. 582 lakhs**
 6. Reserves & surplus: **Rs. 38.04 lakhs**
 7. Total assets: **Rs. 1318.04 lakhs**
 8. Total Liabilities: **Rs. 1318.04 lakhs**
 9. Investments: **Rs. 250.47 lakhs**
 10. Turnover: **Rs. 2473.63 lakhs**
 11. Profit before taxation: **Rs. 64.43 lakhs**
 12. Provision for taxation: **Rs. 18.61 lakhs**
 13. Profit after taxation: **Rs. 45.82 lakhs**
 14. Proposed Dividend: **No**
 15. % of shareholding: **100%**
-
1. S. No: **2**
 2. Name of the subsidiary: **Yug Fashion Garments Private Limited**
 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: **No**
 4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: **No**
 5. Share capital: **Rs. 424 lakhs**
 6. Reserves & surplus: **Rs. 15.1956 Lakhs**
 7. Total assets: **Rs. 547.001 Lakhs**
 8. Total Liabilities: **Rs. 107.805 Lakhs**
 9. Investments: **Nil**
 10. Turnover: **Rs. 1253.189 Lakhs**
 11. Profit before taxation: **Rs. 15.887 Lakhs**
 12. Provision for taxation: **Rs. 3.635 Lakhs**

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13. Profit after taxation: **Rs. 12.252 Lakhs**

14. Proposed Dividend: **No**

15. % of shareholding: **100%**

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part B Associates and Joint Ventures – Not Applicable

For and on behalf of the Board
For Nidhi Granites Limited

Sd/-

Devan Pandya

DIN: 09065430

Chairperson

Place: Mumbai

Date: 28th May, 2024

Regd. Office:

503, Madhu Industrial Park,

Mogra Cross Road,

Next to Apollo Chambers, Andheri East,

Mumbai - 400 069.

CIN: L51900MH1981PLC025677

Email: nglindia2021@gmail.com

Website: www.nidhigranites.com

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

ANNEXURE-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Issued in Pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,

**The Members,
Nidhi Granites Limited.
503, Madhu Industrial Park,
Mogra Cross Road, next to Apollo Chambers,
Andheri East, Mumbai - 400069**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Nidhi Granites Limited (CIN L51900MH1981PLC025677)** (hereinafter called 'the Company') for the financial year ended 31st March, 2024. 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.

A. In expressing our opinion, it must be noted that-

- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances 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 of our opinion.
- iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

NIDHI GRANITES LIMITED

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- v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
 - vi. 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.
- B.** Based on verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter:
- C.** We have conducted the examination of 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) and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. The Company has not undertaken any of the activities during the audit period as envisaged under the provisions of 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;
 - VA. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ('SAST Regulations');
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

NIDHI GRANITES LIMITED

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- iii. 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.
 - iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations).
- VB. The Company has not undertaken any of the activities during the audit period as envisaged under the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit: -
- a. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - b. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - c. 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.
- VI. (i) As informed by the Management, to overcome the business challenges in its domain area of operations namely as traders and distributors in dyes chemicals, textiles auxiliary, the company has carried out investment activities during the financial year and as such no Special Acts are applicable to the Company during the period under audit as envisaged in the format of Audit Report under the Act.
- (ii) According to the information and explanations given to us the Company's financial assets constitute more than 50% of the total assets; however, the income from such financial assets does not constitute 50% of the Gross income. As such, the Company's business cannot be classified as financial activity. Accordingly, the company is not required to obtain registration from RBI in pursuance of Section 45-IA of the RBI Act, 1934.
- D. We have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India has been generally complied;
 - (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 to the extent applicable.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc.

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E. We further report that--

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review;
- II. Adequate notice is generally given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance for meetings 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;
- III. Majority decision is carried through and there was no instance of any director expressing any dissenting views;

F. We further report that the Company needs to strengthen its systems and process commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

G. Following events have taken place during the year which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

- (a) During the year, the Shareholders of the Company at its Annual General Meeting held on 22nd July, 2023, ratified, and approved the variation in utilisation of proceeds of the preferential issue made by the Company and further approved the future utilisation of the said proceeds for general corporate purpose or for investments or providing loans or creating capital assets in compliance with various laws.
- (b) During the year, the Company has issued and allotted 13,47,805 Equity shares of face value Rs. 10/- each at Rs. 29/-per share (including premium of Rs. 19/- per share) on preferential allotment basis against conversion of share warrants.
- (c) During the year, on 10th May, 2023, the Company acquired 100% of equity share capital (10,000 equity shares of Rs. 10 each) of Yug Fashion Garment Private Limited from existing shareholders for a consideration of Rs. 1.2 Lakhs. Consequently, Yug Fashion Garment Private Limited has become a wholly owned subsidiary (100%) of the Company during the year. Further, during the year the Company has acquired 42,30,000 additional shares of Rs. 10 each at face value under right issue by Yug Fashion Garment Private Limited.

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- (d) Pursuant to approval of Shareholders accorded through Annual General Meeting held on 22nd July, 2023, Authorised Share Capital of the Company has been increased from Rs. 5,00,00,000/- (Rupees Five Crore Only) divided into 50,00,000 Equity Shares of face value of Rs. 10/- each to Rs. 10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 Equity Shares of face value of Rs. 10/- each.
- (e) The Board at its meeting held on 15th March 2024, subject to the approval of the members, has proposed to issue Bonus Equity shares in the proportion of 1(one) new fully paid-up equity of Rs. 10/- (Rupees Ten) each for every 1(one) existing fully paid-up Equity shares of Rs. 10/- (Rupees Ten) each to the Shareholders of the Company whose name appears in the register as on the record date, that is 2nd May, 2024.
- (f) The Company has amended its Memorandum of Association and Articles of Association during the year under review.

Except the above, none of following events has taken place which had bearing on the Company's affairs

- I. Redemption/buy back of securities
- II. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
- III. Merger/Amalgamation/Reconstruction, etc.
- IV. Foreign Technical Collaborations.

ICSI Unique Code: P2014MH034700
Peer Review Certificate No: 2404/2022
Place: Mumbai
Date: 28th May, 2024
UDIN: F010032F000473011

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

Sd/-
CS Nrupang B. Dholakia
Designated Partner
FCS-10032 CP No. 12884

Independent Auditor's Report

To the Members of
Nidhi Granites Limited
Mumbai

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Nidhi Granites Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of profit and loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year ended on that date, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act"), as amended in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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's 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 standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone 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, 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 standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133

of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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. 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 cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
 - g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that the company did not pay any remuneration to its directors during the year. Hence reporting as per Section 197(16) is not required.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year
 - vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same

has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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

For Jogin Raval & Associates

Chartered Accountants

ICAI's Firm Registration No 122197

Sd/-

CA Jogin K. Raval

Proprietor

M No. 122197

Mumbai, 28th May, 2024

UDIN: 24122197BKAOQC2568

Annexure 'A' To The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Nidhi Granites Limited of even date).

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ("PPE").
- (b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The company does not have any immovable property. Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) 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 revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.
- (e) According to the 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 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 inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company
- (iii) The Company has not granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses (3) (iii) (c), (d), (e) and (f) of the Order are not applicable. The Company has made investments in, and provided guarantee or security to companies during the year in respect of which :
 - (a) The company has provided guarantee (in respect of loans) during the year and the details of which are given below:

Particulars	Guarantees (Rs in lakhs)
Aggregate amount provided during the year	
- Subsidiaries	400
Balance outstanding as at balance sheet date	
- Subsidiaries	400

- (b) According to the information and explanations given to us, in our opinion the guarantee provided and the investments made during the year are, prima facie, not prejudicial to the interest of the company.
- (iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013. In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with. The Company has not granted loans or provided any

guarantees or securities to parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As informed to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, for any activities of the company. Accordingly, the provisions of clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-tax, goods and services tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of provident fund, employees' state insurance, sales tax, value added tax, duty of customs and duty of excise.
According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31st March 2024 for a period of more than six months from the date they became payable
- (b) According to the information and explanations given to us, there are no material dues of income tax, service tax, goods and service tax, cess which have not been deposited with the appropriate authorities on account of any dispute.
- (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) The company does not have any loans or borrowings. Accordingly, clause 3(ix)(a) of the Order is not applicable.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
(c) The company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the order is not applicable.
(d) According to the information and explanations given to 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) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2024.
(g) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries(as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
(b) The company has made preferential allotment of shares during the year and the requirements of Section 42 and Section 62 have been complied with. Further according to the information and explanations given to us, the Company has utilized funds raised by way of preferential allotment for the purpose for which they were raised.

- (xi) (a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this audit report.
- (c) According to the information and explanation given to us, the company has not received any whistle blower complaints during the year or upto the date of this report. Accordingly, clause 3(xi)(c) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with sections 177 and section 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 the company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit reports of the company issued till date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non- cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any other CICs
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred any cash losses in the financial year and the immediately preceding financial year. Accordingly, clause 3 (xvii) of the Order is not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of subsection (1) of Section 135 of the Companies Act, 2013 is not applicable to the company. Hence reporting under clause 3(xx)(a) and (b) of the order is not applicable to the company.

For Jogin Raval & Associates

Chartered Accountants

ICAI's firm registration number: 128586W

Sd/-

CA Jogin Raval

Proprietor

Membership Number: 122197

Mumbai, 28.05.2024

UDIN: 24122197BKAOQC2568

Annexure “B” To The Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Nidhi Granites Limited

Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of Nidhi Granites Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone 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 with reference to the standalone financial statements 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 the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the standalone financial statements.

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 with reference to the standalone 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 with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, 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 with reference to the standalone financial statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A company’s internal financial control with reference to the standalone 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 with reference to the standalone 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.

Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 the standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to the standalone 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 with reference to the standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial controls with reference to the standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jogin Raval & Associates**Chartered Accountants****ICAI's Firm's Registration No. 128586W**

Sd/-

CA. Jogin K. Raval**Proprietor****M No. 122197****Mumbai, 28.05.2024****UDIN: 24122197BKAOQC2568**

Nidhi Granites Limited		(Rs. In lakhs)	
Standalone Balance sheet as on 31st March, 2024			
Particulars	Note No	31st March	31st March
		2024	2023
		(₹)	(₹)
Assets			
Non-current assets			
Property, Plant and Equipment	2	0.10	0.10
Financial assets			
Investments	3	1,082.61	633.00
Current assets			
Financial assets			
Investments	4	0.02	0.01
Trade receivables	5	-	27.19
Cash and cash equivalents	6	83.90	206.86
Other financial assets	7	0.00	0.01
Other current asset	8	3.78	2.26
	Total	1,170.41	869.44
Equity and liabilities			
Shareholder's funds			
Equity share capital	9	400.00	265.22
Share warrants	10	-	97.72
Other equity	11	760.73	502.11
Non current liabilities			
Deferred tax liabilities (Net)	12	7.03	3.75
Current liabilities			
Financial liabilities			
Trade payables	13		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		0.12	0.07
Other current liabilities	14	0.26	0.01
Provisions	15	2.28	0.58
	Total	1,170.41	869.44
Notes forming part of the financial statements			
	1 - 27		
As per our report of even date			
For Jogin Raval & Associates		For and behalf of the board	
Chartered Accountants		Nidhi Granites Limited	
ICAI's firm Registration Number: 128586W		(CIN : L51900MH1981PLC025677)	
Sd/-		Sd/-	
CA Jogin Raval		Devan Pandya	
Proprietor		Director	
Membership number: 122197		(DIN: 09065430)	
		Sd/-	
Place : Mumbai		Swapna Shivashankaran	
Date : 28th May, 2024		Secretary	
		(PAN: BREPS3367Q)	
		Sd/-	
		Kavita Shah	
		CFO	
		(PAN: AGMPK7212L)	

Nidhi Granites Limited			
Standalone statement of profit and loss for the year ended 31st March, 2024			
(Rs. In lakhs)			
Particulars	Note No	31st March 2024 (₹)	31st March 2023 (₹)
Income			
Revenue from operations	16	28.47	28.50
Other income	17	25.42	25.30
Total revenue		53.90	53.79
Expenditure			
Purchases and direct expense	18	27.82	28.22
Change in inventories	19	-	-
Other expenses	20	19.76	10.91
Total expenditure		47.57	39.13
Profit/(Loss) before tax	(I - II)	6.32	14.67
Tax expense			
Current tax		-	-
Deferred tax	26	3.28	3.75
Current tax expense relating to prior years		(0.00)	(0.06)
		3.28	3.68
Profit/(Loss) for the year from continuing operations		3.04	10.98
Other comprehensive income			
A) (i) Items that will not be reclassified to profit and loss		-	-
(ii) Income tax relating to Items that will not be reclassified to profit and loss		-	-
B) (i) Items that will be reclassified to profit and loss		-	-
(ii) Income tax relating to Items that will be reclassified to profit and loss		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		3.04	10.98
Earnings per share			
Basic and Diluted			
Computed on the basis of total profit from continuing operations	22.3	0.09	1.04
Notes forming part of the financial statements	1 - 27		
As per our report of even date			
For Jogin Raval & Associates		For and on behalf of the Board of Directors of	
Chartered Accountants		Nidhi Granites Limited	
ICAI's firm Registration Number: 128586W		(CIN : L51900MH1981PLC025677)	
Sd/-		Sd/-	Sd/-
CA Jogin Raval		Devan Pandya	Darpan Shah
Proprietor		Director	Director
Membership number: 122197		(DIN: 09065430)	(DIN: 07650896)
Place : Mumbai		Sd/-	Sd/-
Date : 28th May, 2024		Swapna Shivashankaran	Kavita Shah
		Secretary	CFO
		(PAN: BREPS3367Q)	(PAN: AGMPK7212L)

Nidhi Granites Limited		(Rs. In lakhs)	
Standalone Cash flow statement for the year ended 31st March, 2024			
Particulars		31st March 2024	31st March 2023
		(₹)	(₹)
Cash flows from operating activities			
Net profit/(loss) before tax		6.32	14.67
<u>Adjustments for</u>			
Non Cash Item/Items required to be disclosed separately			
Interest income		(0.01)	(0.01)
Dividend income		-	-
Net Loss / (Gain) on Financial Assets measured through FVTPL		(25.42)	(25.20)
Operating profit before working capital changes		(19.10)	(10.54)
<u>Changes in working capital:</u>			
Trade receivables		27.19	(27.19)
Inventories		-	-
Other financial assets		0.01	(0.01)
Other current assets		(1.52)	(0.52)
Trade payables		0.05	(0.19)
Income tax and deferred tax		-	3.75
Provisions		1.70	0.10
Other current liabilities		0.25	(0.21)
Profit/(loss) generated from operations		8.58	(34.82)
Tax paid		-	(3.68)
Net Cash lost from operating activities	(i)	8.58	(38.50)
Cash flows from investing activities			
Net cash generated from investing activities			
Investment in subsidiary		(424.20)	(182.00)
Interest received		0.01	0.01
Net Cash generated/(lost) from investing activities	(ii)	(424.19)	(181.99)
Cash flows from financing activities			
Proceeds from issue of shares/ share warrants		293.15	413.73
Share issue related expenses		(0.50)	(0.50)
Net cash generated from financial activities	(iii)	292.65	413.23
Net change in cash and cash equivalents	(i+ii+iii)	(122.96)	192.73
Cash and cash equivalents at the beginning of the year		206.86	14.13
Cash and cash equivalents at the end of the year		83.90	206.86
Notes forming part of the financial statement	1 - 27		
As per our report on even date			
For Jogin Raval & Associates		For and on behalf of the Board of Directors of	
Chartered Accountants		Nidhi Granites Limited	
ICAI's firm Registration Number: 128586W		(CIN : L51900MH1981PLC025677)	
Sd/-		Sd/-	Sd/-
CA Jogin Raval		Devan Pandya	Darpan Shah
Proprietor		Director	Director
Membership number: 122197		(DIN: 09065430)	(DIN: 07650896)
Place : Mumbai		Sd/-	Sd/-
Date : 28th May, 2024		Swapna Shivashankaran	Kavita Shah
		Secretary	CFO
		(PAN: BREPS3367Q)	(PAN: AGMPK7212L)

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

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Nidhi Granites Limited						
Standalone statement of changes in equity for the year ended 31st March 2024						
(Rs. In lakhs)						
Particulars	Equity share capital	Share warrants	Reserves and surplus			
			General Reserve	Securities Premium	Retained earnings	Total
Balance as at 1.4.2022	75.00	235.63	100.00	-	30.21	130.21
Add : Shares issued during the year	190.22	-	-	-	-	-
Less : Conversion of warrants	-	(137.91)	-	-	-	-
Add : Securities premium on shares issued	-	-	-	361.42	-	361.42
Add : Profit for the year	-	-	-	-	10.98	10.98
Less : Expenses related to issue of shares	-	-	-	(0.50)	-	(0.50)
Balance as at 31.3.2023	265.22	97.72	100.00	360.92	41.19	502.11
Add : Shares issued during the year	134.78	-	-	-	-	-
Less : Conversion of warrants	-	(97.72)	-	-	-	-
Add : Securities premium on shares issued	-	-	-	256.08	-	256.08
Add : Profit for the year	-	-	-	-	3.04	3.04
Less : Expenses related to issue of shares	-	-	-	(0.50)	-	(0.50)
Balance as at 31.3.2024	400.00	-	100.00	616.50	44.23	760.73

Company Information

Nidhi Granites Limited (Company) (L51900MH1981PLC025677) is engaged in the business of manufacturing and trading of granite and marble slabs, tiles, sandstone and limestone products. The company is a public limited company domiciled in India. The registered address of the company is 503, Madhu Industrial Park, Mogra Cross Road, Next to Apollo Chambers, Andheri East, Mumbai City, Mumbai - 400 069.

1. Basis of preparation and significant accounting policies:

1.1 Basis of preparation:

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in INR and all values are rounded to the nearest INR lakhs, except when otherwise indicated.

1.2 Summary of significant accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified period of twelve months as its operating cycle.

b) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue from the sale of goods is recognised, when control of goods being sold is transferred to customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales as disclosed, are exclusive of Goods and Services Tax. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods to a customer, excluding amount collected on behalf of third parties (for example taxes collected on behalf of government). The transaction price is allocated by the company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

c) Inventory

Inventories such as Stock in Trade are valued at the lower of cost or net realisable value. The cost is computed on weighted average basis.

d) Income taxes

Income tax expense comprises of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases, used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

e) Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

f) Property, plant and equipment

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation has been provided on written down value method in accordance with section 198 of the Companies Act, 2013 at the rates specified in schedule II to the Companies Act, 2013, on pro-rata basis with reference to the period of useful life of such assets and is charged to statement of profit and loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of items of property, plant and equipment is mentioned below :

Particulars	Useful life
Office equipment's	5 Years

g) Impairment

The carrying amount of PPEs, are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. 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 prior accounting period is reversed, if there has been an improvement in recoverable amount.

h) Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred

i) Financial instruments:

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through OCI (FVTOCI)
- Financial assets at fair value through profit and loss (FVTPL)

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at fair value through profit and loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost less impairment loss (if any).

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

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

ii. Financial liabilities

Initial recognition and measurement

All Financial Liabilities are recognized initially at fair value and in case of borrowings, net of directly attributable cost (except when the attributable cost is not material, in such case the same is directly recognized in statement of profit and loss). Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109.

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

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year.

1.3 Significant accounting, judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as the Management becomes aware. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Critical Accounting estimates and assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a) Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

b) Property, Plant and Equipment

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/ amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological and future risks. The depreciation/ amortization for future periods is revised if there are significant changes from previous estimates.

c) 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, which involve various judgements and assumptions

d) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances

Nidhi Granites Limited
Notes forming part of the standalone financial statements

Particulars	(Rs. In lakhs)	
	Tangibles	
	Office	Equipments
Balance as on 1st April 2023		3.58
Additions	-	-
Disposals	-	-
Balance as on 31st March 2024		3.58
Accumulated depreciation as on 1st April 2023		3.48
Depreciation charge for the year	-	-
Adjustments/reversal on disposal of asset	-	-
Accumulated depreciation as on 31st March 2024		3.48
Net Carrying amount as at 31st March 2024		0.10
Balance as on 1st April 2022		3.58
Additions	-	-
Disposals	-	-
Balance as on 31st March 2023		3.58
Accumulated depreciation as on 1st April 2022		3.48
Depreciation charge for the year	-	-
Adjustments/reversal on disposal of asset	-	-
Accumulated depreciation as on 31st March 2023		3.48
Net Carrying amount as at 31st March 2023		0.10

Nidhi Granites Limited
Notes forming part of the standalone financial statements

Note - 9 Equity share capital

(Rs. In lakhs)

Particulars	31st March 2024	31st March 2023
	(₹)	(₹)
(a) Authorised		
1,00,00,000 (PY 50,00,000) equity shares of ₹ 10/- each with voting rights	1,000.00	500.00
(Pursuant to approval of Shareholders accorded through Annual General Meeting held on 22nd July, 2023, Authorised Share Capital of the Company has been increased from Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Face Value of Rs. 10/- each to Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Face Value of Rs. 10/- each)	<u>1,000.00</u>	<u>500.00</u>
(b) Issued , subscribed and paid up		
40,00,000 (PY 26,52,195) equity shares of ₹ 10/- each with voting rights	400.00	265.22
(Out of the above, 13,47,805 shares of Face value Rs. 10/share have been issued at a premium of Rs. 19/share during the year on conversion of warrants.)	<u>400.00</u>	<u>265.22</u>

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Issued, subscribed and paid up

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Reduction	Forfeiture	Closing balance
Equity shares with voting rights								
Year ended 31 March, 2024								
- Number of shares	26,52,195	13,47,805	-	-	-	-	-	40,00,000
- Amount (₹)(in'lakhs)	265.22	134.78	-	-	-	-	-	400.00
Year ended 31 March, 2023								
- Number of shares	7,50,000	19,02,195	-	-	-	-	-	26,52,195
- Amount (₹)(in'lakhs)	75.00	190.22	-	-	-	-	-	265.22

(ii) Details of allotment made during the year

(₹ in lakhs)

Date of allotment	Number of	Face value per	Amount in ₹	Issue price per	Amount in ₹
14-08-2023	13,47,805	10	134.78	29	390.86

(iii) The company has only one class of shares having par value of Rs. 10/- per share. Each holder of share is entitled to one vote per share.

Nidhi Granites Limited					
Notes forming part of the standalone financial statements					
Note - 9 Equity share capital					(Rs. In lakhs)
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares/Name of shareholder	31st March 2024		31st March 2023		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Devan Narendra Pandya	13,29,842	33.25%	9,66,842	36.45%	
Darpan Shah	13,40,348	33.51%	8,96,210	33.79%	
Kala Diwanji	5,40,000	13.50%	3,60,000	13.57%	
Nayana Bhatt	5,41,000	13.53%	1,80,333	6.80%	
(v) Details of shares held by promoters					
Class of shares/Name of shareholder	31 March,2024		31 March,2023		% change during the year
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Devan Narendra Pandya	13,29,842	33.25%	9,66,842	36.45%	-3.21%
Darapan Shah	13,40,348	33.51%	8,96,210	33.79%	-0.28%

Nidhi Granites Limited		
Notes forming part of the standalone financial statements		
	(Rs. In lakhs)	
Particulars	31st March	31st March
	2024	2023
	(₹)	(₹)
Note - 3 Investments		
-In equity shares of subsidiary company (measured at cost)		
Unquoted, fully paid up		
SPNP Paper and Pack Pvt Ltd		
58,20,000 (P.Y. 58,20,000) equity shares of face value of Rs. 10 each	582.00	582.00
Yug Fashion Garment Pvt Ltd		
42,40,000 (P.Y. Nil) equity shares of face value of Rs. 10 each (Refer note 22.9)	424.20	-
-In equity shares of other companies (measured at fair value through profit and loss)		
Quoted, fully paid up		
Phoenix Township Ltd		
85,000 (P.Y. 85,000) equity shares of face value Rs. 10 each	76.41	51.00
	1,082.61	633.00
Note - 4 Current investment		
Investments measured at fair value through profit and loss		
Investment in securities		
	0.02	0.01
	0.02	0.01
Note - 5 Trade Receivable		
Sundry Debtors (Refer note 23.3 for ageing schedule)		
- Unsecured, considered good	-	27.19
	-	27.19
Note - 6 Cash and cash equivalents		
Cash on hand		
	0.24	0.24
Balance with schedule banks		
- In current account	83.53	206.51
Other bank balances		
Deposits with original maturity of more than 3 months and remaining maturity of less than 12 months		
	0.12	0.11
	83.90	206.86
Note - 7 Other financial assets		
Accrued interest		
	0.00	0.01
	0.00	0.01
Note - 8 Other current asset		
Income tax paid (net)		
	0.03	0.03
Advances other than capital advances		
	0.05	0.22
Balance with statutory authorities		
	3.70	2.01
	3.78	2.26

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the standalone financial statements		31st March	31st March
Particulars	2024	2023	
	(₹)	(₹)	
Note - 10 Share warrants			
Nil (P.Y. 13,47,805) Share warrants of Rs 29/- each , Rs. 7.25/- paid up	-	97.72	
	-	97.72	
Note - 11 Other equity			
General Reserve			
Balance as per last financial statement	100.00	100.00	
Less: Utilised during the year	-	-	
Balance as per current financial statement	100.00	100.00	
Securities Premium			
Balance as per last financial statement	360.92	-	
Add : Premium on shares issued during the year	256.08	361.42	
Less : Share issue related expenses	(0.50)	(0.50)	
	616.50	360.92	
Surplus/(Deficit) in statement of profit and loss			
Balance as per last financial statement	41.19	30.21	
Add: Profit/(loss) for the year	3.04	10.98	
Net surplus/(Deficit) in statement of profit and loss	44.23	41.19	
	760.73	502.11	
Note - 12 Deferred tax liability			
At the beginning of the year	3.75	-	
Charge/(credit) to statement of profit and loss	3.28	3.75	
Charge/(credit) to OCI	-	-	
At the end of the year	7.03	3.75	
Note - 13 Trade payables			
Sundry creditors (Refer note 23.2 for ageing schedule)			
- Micro enterprises and small enterprises	-	-	
- Other than micro enterprises and small enterprises	0.12	0.07	
	0.12	0.07	
Note - 14 Other current liabilities			
Statutory Dues	0.26	0.01	
	0.26	0.01	
Note - 15 Provisions			
Provision for others	2.28	0.58	
	2.28	0.58	
Note - 16 Revenue from Operations			
Sale of goods	28.47	28.50	
	28.47	28.50	
Note - 17 Other income			
Interest income from fixed deposits	0.01	0.01	
Fair value gain on financial instruments at fair value through profit or loss	25.42	25.20	
Sundry balance written back	-	0.09	
Interest on income tax refund	0.00	-	
	25.42	25.30	

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the standalone financial statements			
Particulars	31st March	31st March	
	2024	2023	
	(₹)	(₹)	
Note - 18 Purchases and direct expense			
Purchase of goods	27.82	28.22	
	<u>27.82</u>	<u>28.22</u>	
Note - 19 Changes in Inventory			
Opening Stock	-	-	
Less: Closing Stock	-	-	
	<u>-</u>	<u>-</u>	
Note - 20 Other expenses			
Payment to auditor	2.00	1.25	
Advertisement Expenses	1.42	0.61	
Bank Charges	0.00	0.00	
Interest For Late Payment of TDS	0.00	0.00	
Legal And Professional Fees	4.03	3.76	
ROC Charges	4.96	0.11	
Printing and Stationary Expenses	0.17	-	
Website Development	0.09	-	
Share Transfer & Registrar Charges	1.34	0.99	
Custodian Charges	0.73	0.33	
Listing Fees	5.02	3.54	
Miscellaneous Expenses	(0.00)	0.31	
	<u>19.76</u>	<u>10.91</u>	
Payment to auditor			
As auditor - for statutory audit (including limited review)			
Audit Fees	2.00	1.25	
For certification work	-	-	
	<u>2.00</u>	<u>1.25</u>	

Nidhi Granites Limited
Notes forming part of the standalone financial statements

Note 21 Disclosures under Accounting Standards

Related party transactions

<u>Description of</u>	<u>Names of related parties</u>
Key Management Personnel (KMP)	Mr. Devan Pandya
	Mr. Darpan Shah
	Mrs. Shreya Pandya
	Mr. Amit Sinkar (Appointed w.e.f 15th June, 2021)
	Mr. Amit Patankar (Appointed w.e.f 15th June, 2021)
	Mrs. Kavita Shah (CFO)
	Mrs. Swapna Shivashankaran (Secretary) (Appointed w.e.f 1st October, 2023)

Entities where control exists	SPNP Paper and Pack Pvt Ltd (Wholly owned subsidiary)
	Yug Fashion Garment Private Limited (Wholly owned subsidiary)
	M/s JNV Infra Pvt Ltd (Company in which director Mr. Devan Pandya has significant influence by virtue of holding more than 20% shareholding)

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2024 and balances outstanding as at 31 March, 2024 (Rs. In lakhs)

Particulars	KMP		Relatives of KMP		Entities where control exists		Total	
	Mar-2024	Mar-2023	Mar-2024	Mar-2023	Mar-2024	Mar-2023	Mar-2024	Mar-2023
Transactions during the year								
Sale of goods								
M/s JNV Infra Pvt Ltd	-	-	-	-	28.47	28.50	28.47	28.50
Issue of shares								
Mr Devan Pandya	36.30	72.60	-	-	-	-	36.30	72.60
Mr Darpan Shah	44.41	63.59	-	-	-	-	44.41	63.59
Investment in shares								
SPNP Paper and Pack Pvt Ltd	-	-	-	-	-	182.00	-	182.00
Yug Fashion Garment Private Limited	-	-	-	-	423.00	-	423.00	-
Guarantee provided								
SPNP Paper and Pack Pvt Ltd	-	-	-	-	400.00	-	400.00	-
Balances outstanding at the end of the year								
Receivables								
M/s JNV Infra Pvt Ltd	-	-	-	-	-	27.19	-	27.19

Nidhi Granites Limited

Notes forming part of the standalone financial statements

Note - 22 Additional information to the financial statements

	31st March 2024 (Rs. In lakhs)	31st March 2023 (Rs. In lakhs)
22.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt	Nil	Nil
(b) Guarantees		
(i) Guarantees to Banks and Financial Institutions against credit facilities extended to Subsidiaries	400.00	-
22.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
Micro, Small and Medium Enterprises in terms of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 have been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors. Since the relevant information is not readily available, no disclosures have been made in the accounts. However, in the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provision of this Act is not expected to be material.		
22.3 Earnings per share (EPS)		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
	31st March 2024 (Rs. In lakhs)	31st March 2023 (Rs. In lakhs)
Total (continuing) operations for the year		
Profit/(loss) after tax	3.04	10.98
Net profit/(loss) for calculation of basic/diluted EPS (A)	3.04	10.98
Weighted average number of equity shares in calculating basic EPS	35,02,859	10,54,015
Earnings per share (EPS) (basic/diluted) (A/B)	0.09	1.04
Particulars	31st March 2024 (Rs. In lakhs)	31st March 2023 (Rs. In lakhs)
22.4 Value of imports calculated on CIF basis	Nil	Nil
22.5 Expenditure in foreign currency	Nil	Nil
22.6 Earnings in foreign exchange	Nil	Nil
22.7 The balances appearing under trade payables, trade receivable, other financial assets and banks are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation.		
22.8 In the opinion of the Board, assets other than fixed assets do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.		

Note - 22 Additional information to the financial statements

- 22.9** During the year, on 10th May, 2023, the company acquired 100% of the equity share capital (10,000 equity shares of Rs. 10 each) of Yug Fashion Garment Pvt Ltd from existing shareholders for a consideration of Rs. 1.2 lakhs. Consequently, Yug Fashion Garment Pvt Ltd has become a wholly owned subsidiary (100%) of the company during the year. Further, during the year the company has acquired 42,30,000 additional shares of Rs. 10 each at face value under right issue by Yug Fashion Garment Pvt Ltd.
- 22.10** The board at its meeting held on 15th March 2024, subject to the approval of the members, has proposed to issue bonus equity shares in the proportion of 1 (One) new fully paid-up equity share of Rs. 10/- (Rupees Ten) each for every 1 (One) existing fully paid-up equity share of Rs. 10/- (Rupees Ten) each to the shareholders of the Company whose name appears in the register as on the record date, that is 2nd May, 2024.
- 22.11** During the year, the shareholders of the company at its Annual General Meeting held on 21st July, 2023, ratified and approved the variation in utilisation of proceeds of the preferential issue made by the company and further approved the future utilisation of the said proceeds for general corporate purpose or for investments or providing loans or creating capital assets in compliance with various laws.
- 22.12** As a matter of prudence, in the absence of any virtual certainty, the company has not created deferred tax asset on accumulated losses.
- 22.13** Since the Company has less than prescribed number of employees, it recognises gratuity and leave salary expense on payment basis and no liability for the same has been ascertained and provided in the accounts. Hence, the company is not required to comply with the provisions of IND AS-19 "Employee Benefits".
- 22.14** The company's financial assets constitute more than 50% of the total assets, however the income from such financial assets does not constitute 50% of the Gross income. As such, the company's business cannot be classified as Financial activity. Accordingly, the company is not required to obtain registration from RBI in pursuance of Section 45-IA of the RBI Act, 1934
- 22.15** During the year, the company has allotted 13,47,805 shares of face value Rs. 10/share at Rs. 29/share (including premium of Rs. 19/share) on preferential basis against conversion of share warrants.
- 22.16** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Nidhi Granites Limited

Notes forming part of the standalone financial statements

Note 23 Additional regulatory information

23.1 Analytical ratios

<u>Sr No</u>	<u>Particulars</u>	<u>Numerator</u>	<u>Denominator</u>	<u>31st March, 2024</u>	<u>31st March, 2023</u>	<u>Variance</u>	<u>Reasons</u>
a)	Current ratio	Current assets	Current liabilities	33.10	364.93	-90.93%	Variation is on account of decrease in current assets due to investment of funds in subsidiary company during the year.
b)	Debt equity ratio	Total debt	Shareholder's equity	Since, the company does not have any debts, these ratios have not been calculated			
c)	Debt service coverage ratio	Earnings available for debt service	Debt service	Since, the company does not have any debts, these ratios have not been calculated			
d)	Return on equity ratio	Net profit after tax	Shareholder's equity	0.00	0.01	-79.37%	Variation is on account of increase in shareholder's equity during the year as a result of fresh issue of shares during the year and a corresponding decrease in net profits during the year.
e)	Inventory turnover ratio	Cost of goods sold	Average Inventory	Since, the company does not have any inventory, this ratio has not been calculated			
f)	Trade receivables turnover ratio	Net credit sales/services	Average Trade receivables	2.09	2.10	-0.09%	-
g)	Trade payables turnover ratio	Net credit purchases	Average Trade payables	612.79	110.07	456.74%	Variation is on account of reduction in the average trade payables from the previous year.
h)	Net capital turnover ratio	Net sales/services	Working capital	0.33	0.12	176.85%	Variation is on account of reduction in working capital which has stemmed from decrease in current assets due to investment of funds in subsidiary company during the year.
i)	Net profit ratio	Net profit after tax	Net sales/services	0.11	0.39	-72.30%	Variation is on account of decrease in net profit after tax during the year.
j)	Return on capital employed	EBIT (*)	Capital employed (#)	0.01	0.02	-67.88%	Variation is on account of increase in shareholder's equity during the year as a result of fresh issue of shares during the year.
k)	Return on investment	Earning from invested funds	Total invested funds	0.01	0.02	-67.88%	Variation is on account of increase in shareholder's equity during the year as a result of fresh issue of shares during the year and a corresponding decrease in net profits during the year.

(*) EBIT = Earning before interest and taxes

(#) Capital employed = Tangible net worth + Total debt

Note 23 Additional regulatory information

23.2 Trade Payables ageing schedule (Rs. In lakhs)

Particulars	as at 31st March 2024					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	0.12	-	-	-	-	0.12
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	0.12	-	-	-	-	0.12

(Rs. In lakhs)

Particulars	as at 31st March 2023					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	-	-	-	-	-	-
(ii) Others	0.07	-	-	-	-	0.07
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	0.07	-	-	-	-	0.07

23.3 Trade Receivables ageing schedule

(Rs. In lakhs)

Particulars	as at 31st March 2024						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	-	-	-	-	-	-	-
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

(Rs. In lakhs)

Particulars	as at 31st March 2023						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	27.19	-	-	-	-	-	27.19
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-	-
Total	27.19	-	-	-	-	-	27.19

Nidhi Granites Limited
Notes forming part of the standalone financial statements

Note 24 A - Financial assets and financial liabilities

	(Rs. In lakhs)	
	Carrying value	
Financial assets/ Financial liabilities	31st March 2024	31st March 2023
<u>Financial assets measured at fair value through profit and loss (FVTPL)</u>		
Financial assets - Non current		
Investment in quoted equity instruments	76.41	51.00
Financial assets - current		
Investment in equity instruments	0.02	0.01
Total	76.42	51.01
<u>Financial assets measured at cost</u>		
Financial assets - current		
Investment in subsidiaries	1,006.20	582.00
Total	1,006.20	582.00
<u>Financial assets measured at amortised cost</u>		
Financial assets - current		
Trade receivables	-	27.19
Cash and cash equivalents	83.90	206.86
Other financial assets	0.00	0.01
Total	83.90	234.06
<u>Financial liabilities measured at amortised cost</u>		
Financial liabilities - current		
Trade payables	0.12	0.07
Total	0.12	0.07

Notes: Financial assets and liabilities include cash and cash equivalents, trade receivables, eligible current and non-current assets, trade payables, and eligible current and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

Nidhi Granites Limited

Notes forming part of the standalone financial statements

Note 24 B - Fair value hierarchy for assets and liabilities

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

ii) Level 2

Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

iii) Level 3

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(I) The carrying amount and fair value measurement hierarchy for financial assets as at March 31, 2024 is as follow

(Rs. In lakhs)

Particulars	Carrying value	Fair Value	Fair value hierarchy			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit and loss (FVTPL)						
Investment in quoted equity instruments	76.41	76.41	76.41	-	-	76.41
Investment in equity instruments	0.02	0.02	0.02	-	-	0.02
Total			76.42	-	-	76.42

(I) The carrying amount and fair value measurement hierarchy for financial assets as at March 31, 2023 is as follow

(Rs. In lakhs)

Particulars	Carrying value	Fair Value	Fair value hierarchy			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit and loss (FVTPL)						
Investment in quoted equity instruments	51.00	51.00	51.00	-	-	51.00
Investment in equity instruments	0.01	0.01	0.01	-	-	0.01
Total			51.01	-	-	51.01

(II) Financial instruments measure at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

Note 25 - Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies reviewed and approved by Board of Directors and is periodically monitored by various matrices, including funding requirements.

Nidhi Granites Limited
Notes forming part of the standalone financial statements

Note 26 - Income taxes

A Major Components of Income Tax Expense for the year are as under	31st March 2024	31st March 2023		
(i) Items recognised in statement of profit and loss				
Current tax :				
In respect of current year	-	-		
In respect of short/excess provisions for earlier years	(0.00)	(0.06)		
Deferred tax				
In respect of current year	3.28	3.75		
Income tax expense recognised in statement of profit and loss	3.28	3.68		
(ii) Items recognised in OCI				
	-	-		
B The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:				
As at 31st March 2024				
	April 1, 2023	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	31st March 2024
Difference in carrying value and tax base of investments measured at FVTPL	(3.75)	(3.28)	-	(7.03)
Net deferred tax (liability)/asset	(3.75)	(3.28)	-	(7.03)
As at 31st March 2023				
	April 1, 2022	Amount charged to statement of profit and loss	Amount charged to other comprehensive income	31st March 2023
Difference in carrying value and tax base of investments measured at FVTPL	-	(3.75)	-	(3.75)
Net deferred tax (liability)/asset	-	(3.75)	-	(3.75)
C Reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows				
	31st March 2024	31st March 2023		
Profit/(Loss) before tax	6.32	14.67		
Enacted income tax rate in India	25.17%	25.17%		
Computed expected tax expense	1.59	3.69		
Effect of:				
Taxes for earlier years	(0.00)	(0.06)		
Expense not considered for tax	0.57	0.15		
Deferred tax not created for unabsorbed loss	4.38	2.63		
Items taxed at special rate	(3.49)	(3.72)		
Others	0.22	1.00		
Tax expense as per statement of profit and loss	3.28	3.68		

Nidhi Granites Limited

Notes forming part of the standalone financial statements

Note 27 Financial risk management objectives and policies

The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, trade receivables and other receivables and financial liabilities comprise mainly of trade payables.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include equity investments, trade receivables and trade payables.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company does not have any interest bearing borrowings, there is no exposure to risk of changes in market interest rates.

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company's functional currency is Indian Rupees (INR). The Company has not undertaken any transactions denominated in foreign currencies; consequently there is no exposure to risk of change in foreign exchange rates

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, cash & cash equivalents and other loans and advances/financial current assets.

3) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Independent Auditor's Report

To the Members of
Nidhi Granites Ltd
Mumbai

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Nidhi Granites Ltd (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2024, the consolidated statement of profit and loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries referred to in the Other Matter section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), as amended in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, their consolidated profit and total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Management responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group is responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the

financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other Companies included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of ₹ 544.84 lakhs as at March 31, 2024, total revenues of ₹ 1,188.88 lakhs, total net profit after tax of Rs. 10.83 lakhs, total comprehensive income of Rs 10.83 lakhs and net cash inflows of ₹ 2.31 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this step down subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report(s) of such other auditors.

Our opinion above on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate financial statements of subsidiaries, referred in the Other Matters paragraph above we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors of the holding company as on 31st March, 2024 taken on record by the Board of Directors of the holding company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the group companies is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to Consolidated financial statements of the holding company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India.

- g. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of other auditors on separate financial statements of subsidiaries, referred in the Other Matters paragraph above we report, to the extent applicable, that :
- i. The Group does not have any pending litigations which would impact its financial position.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
 - iv. (i) The respective Managements of the company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the other auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Group has not declared or paid any dividend during the year.
 - vi. Based on our examination which included test checks performed by us on the company and its subsidiaries, except for the instances mentioned below, have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Name of the company	Relation	Remarks
Fine Papyrus Pvt Ltd	Step down subsidiary	Migrated to audit trail version from 9 th May, 2023
Yug Fashion Garment Pvt Ltd	Subsidiary	Audit trail facility was not enabled during the year

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

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements.

For Jogin Raval & Associates
Chartered Accountants
ICAI's Firm Registration No 122197

Sd/-
CA Jogin K. Raval
Proprietor
M No. 122197
Mumbai, 28th May, 2024
UDIN: 24122197BKAOQE5206

Annexure “B” To The Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Nidhi Granites Ltd)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to consolidated financial statements of Nidhi Granites Ltd (“the holding company”) and its subsidiary companies which are companies incorporated in India 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 respective Boards of Directors of the Companies included in the group, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies which are companies incorporated in India 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 with reference to the consolidated financial statements.

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 with reference to consolidated 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 and the audit evidence obtained by the other auditor in terms of their reports referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s and its Subsidiaries internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated 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 with reference to consolidated 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.

Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control controls with reference to consolidated 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 and based on the consideration of other auditors report referred to in the Other Matters paragraph below, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financials controls with reference to financial statements established by the holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to 1 subsidiary, which is company incorporated in India, is based on the corresponding report of the auditors of such subsidiary incorporated in India.

For Jogin Raval & Associates

Chartered Accountants

ICAI's Firm's Registration No. 128586W

Sd/-

CA. Jogin K. Raval

Proprietor

M No. 122197

Mumbai, 28th May, 2024

UDIN: 24122197BKAOQE5206

Nidhi Granites Limited		(Rs. In lakhs)	
Consolidated Balance sheet as on 31st March, 2024			
Particulars	Note No	31st March 2024	31st March
		(₹)	2023 (₹)
Assets			
Non-current assets			
Property, Plant and Equipment	2A	223.42	119.85
Right of use assets	2B	111.39	95.19
Intangible assets	2C	0.15	0.28
Financial assets			
Investments	3	76.41	51.00
Other financial assets	4	8.04	6.12
Deferred tax assets	5	8.17	0.66
Current assets			
Inventories	6	260.88	205.84
Financial assets			
Investments	7	0.02	0.01
Trade receivables	8	715.25	510.17
Cash and cash equivalents	9	280.87	400.05
Loans	10	330.46	111.17
Other financial assets	4	0.00	0.01
Other current asset	11	166.92	162.19
Total		2,181.98	1,662.53
Equity and liabilities			
Shareholder's funds			
Equity share capital	12	400.00	265.22
Share warrants	13	-	97.72
Other equity	14	896.02	572.27
Non current liabilities			
Financial liabilities			
Borrowings	15	11.10	-
Lease liabilities	16	107.71	83.03
Deferred tax liabilities	17	7.03	4.23
Provisions	18	2.90	-
Current liabilities			
Financial liabilities			
Borrowings	15	311.36	227.66
Lease liabilities	16	17.08	18.01
Trade payables	19		
Micro and Small Enterprises		163.99	247.78
Other than Micro and Small Enterprises		214.93	103.71
Other financial liabilities	20	14.16	14.61
Other current liabilities	21	19.23	15.41
Provisions	18	9.48	3.01
Current tax liabilities (net)	22	7.00	9.87
Total		2,181.98	1,662.53
Notes on significant accounting policies and Additional information to the consolidated financial statements			
As per our report of even date		1 - 43	
For Jogin Raval & Associates		For and behalf of the board	
Chartered Accountants		Nidhi Granites Limited	
ICAI's firm Registration Number: 128586W		(CIN : L51900MH1981PLC025677)	
Sd/-		Sd/-	Sd/-
CA Jogin Raval		Devan Pandya	Darpan Shah
Proprietor		Director	Director
Membership number: 122197		(DIN: 09065430)	(DIN: 07650896)
Place : Mumbai		Sd/-	Sd/-
Date : 28th May, 2024		Swapna Shivashankaran	Kavita Shah
		Secretary	CFO
		(PAN: BREPS3367Q)	(PAN: AGMPK7212L)

Nidhi Granites Limited			
Consolidated Statement of profit and loss for the year ended 31st March, 2024			(Rs. In lakhs)
Particulars	Note No	31st March	31st March
		2024	2023
		(₹)	(₹)
Income			
Income from operations	23	3,851.13	2,529.22
Other income	24	57.73	38.37
Total revenue		3,908.86	2,567.59
Expenditure			
Cost of materials consumed	25	700.66	674.57
Purchase and direct expenses	26	2,653.41	1,462.84
Change in inventories	27	(21.75)	(95.51)
Employee benefit expense	28	219.76	281.26
Finance cost	29	45.49	20.91
Depreciation and amortisation	2	71.94	45.12
Other expenses	30	143.78	115.10
Total expenditure		3,813.29	2,504.30
Profit/(Loss) before tax	(I - II)	95.57	63.29
Tax expense			
Current tax		31.25	19.27
Deferred tax	38	(4.26)	0.54
Current tax expense relating to prior years		0.12	(0.21)
		27.12	19.60
Profit/(Loss) for the year from continuing operations		68.45	43.69
Other comprehensive income			
A) (i) Items that will not be reclassified to profit and loss		-	-
- Remeasurement of defined benefit plan		(0.62)	-
(ii) Income tax relating to items that will not be reclassified to profit and loss		0.15	-
B) (i) Items that will be reclassified to profit and loss		-	-
(ii) Income tax relating to items that will be reclassified to profit and loss		-	-
Other comprehensive income for the year, net of tax		(0.46)	-
Total comprehensive income/(loss) for the year		67.99	43.69
Earnings per share			
Basic and Diluted			
Computed on the basis of total profit from continuing operations	32.3	1.95	4.15
Notes on significant accounting policies and Additional information to the consolidated financial statements			
	1 - 43		
As per our report of even date			
For Jogin Raval & Associates		For and on behalf of the Board of Directors of Nidhi Granites Limited	
Chartered Accountants		(CIN : L51900MH1981PLC025677)	
ICAI's firm Registration Number: 128586W			
Sd/-		Sd/-	Sd/-
CA Jogin Raval		Devan Pandya	Darpan Shah
Proprietor		Director	Director
Membership number: 122197		(DIN: 09065430)	(DIN: 07650896)
Place : Mumbai			
Date : 28th May, 2024		Sd/-	Sd/-
		Swapna Shivashankaran	Kavita Shah
		Secretary	CFO
		(PAN: BREPS3367Q)	(PAN: AGMPK7212L)

Nidhi Granites Limited		(Rs. In lakhs)	
Consolidated Cash flow statement for the ended 31st March, 2024		31st March 2024	31st March 2023
		(₹)	(₹)
Cash flows from operating activities			
Net profit before tax		95.57	63.29
<u>Adjustments for</u>			
Non Cash Item/Items required to be disclosed separately			
Finance cost		45.49	20.91
Depreciation		71.94	45.12
Provision for gratuity expense		2.30	-
Loss on disposal/write off of property, plant and equipment		3.29	-
Interest income		(31.56)	(9.95)
Gain on remeasurement of lease liability/ROU		(0.71)	-
Net Loss / (Gain) on Financial Assets measured through FVTPL		(25.42)	(25.20)
Operating profit before working capital changes		160.90	94.17
<u>Changes in working capital/operating liability:</u>			
Inventories		(50.97)	(112.35)
Trade receivables		(55.80)	(73.20)
Other financial assets		(1.13)	(0.75)
Loans		(7.20)	(111.17)
Other current assets		(4.03)	(140.51)
Trade payables		(129.55)	172.53
Other financial liabilities		(0.45)	14.61
Provisions		6.46	1.43
Income tax and deferred tax		-	(11.05)
Other current liabilities		3.55	(23.23)
Profit generated from operations		(78.22)	(189.50)
Tax paid		(33.13)	(22.14)
Net Cash generated/(lost) from operating activities	(i)	(111.35)	(211.64)
Cash flows from investing activities			
Sale/purchase of fixed assets		(143.45)	(70.91)
Investment in subsidiaries, net off cash		1.89	-
Loans advanced		(212.10)	-
Interest received		31.56	9.95
Payment for right of use asset		(0.34)	(1.26)
Net Cash generated/(lost) from investing activities	(ii)	(322.43)	(62.21)
Cash flows from financing activities			
Proceeds from issue of shares/ share warrants		293.15	413.73
Proceeds/(repayment) of borrowings		91.64	155.09
Repayment of lease liabilities		(24.19)	(20.81)
Interest on lease liabilities		(9.43)	(9.31)
Finance cost		(36.06)	(11.60)
Share issue related expenses		(0.50)	(0.50)
Net cash generated from financial activities	(iii)	314.60	526.59
Net change in cash and cash equivalents	(i+ii+iii)	(119.18)	252.74
Cash and cash equivalents at the beginning of the year		400.05	147.31
Cash and cash equivalents at the end of the year		280.87	400.05
Notes on significant accounting policies and Additional information to the consolidated financial statements		1 - 43	
As per our report on even date		For and on behalf of the Board of Directors of Nidhi Granites Limited	
For Jogin Raval & Associates		Nidhi Granites Limited	
Chartered Accountants		(CIN : L51900MH1981PLC025677)	
ICAI's firm Registration Number: 128586W			
Sd/-		Sd/-	Sd/-
CA Jogin Raval		Devan Pandya	Darpan Shah
Proprietor		Director	Director
Membership number: 122197		(DIN: 09065430)	(DIN: 07650896)
Place : Mumbai		Sd/-	Sd/-
Date : 28th May, 2024		Swapna Shivashankaran	Kavita Shah
		Secretary	CFO
		(PAN:BREPS3367Q)	(PAN:AGMPK7212L)

NIDHI GRANITES LIMITED

CIN- L51900MH1981PLC025677

42nd Annual Report 2023-2024

Nidhi Granites Limited

Consolidated Statement of changes in equity for the year ended 31st March 2024

(Rs. In lakhs)

Particulars	Equity share capital	Share warrants	Reserves and surplus					Total
			General Reserve	Gain on bargain purchase (Capital reserve)	Securities Premium	Retained earnings	Defined Benefit Plan - OCI	
Balance as at 1.4.2022	75.00	235.63	100.00	33.65	-	34.01	-	167.66
Add : Shares issued during the year	190.22	-	-	-	-	-	-	-
Less : Conversion of warrants	-	(137.91)	-	-	-	-	-	-
Add : Securities premium on shares issued	-	-	-	-	361.42	-	-	361.42
Add: Profit for the year	-	-	-	-	-	43.69	-	43.69
Less : Expense related to issue of shares	-	-	-	-	(0.50)	-	-	(0.50)
Other comprehensive income for the year	-	-	-	-	-	-	-	-
Balance as at 31.3.2023	265.22	97.72	100.00	33.65	360.92	77.70	-	572.27
Add : Shares issued during the year	134.78	-	-	-	-	-	-	-
Add : Conversion of warrants	-	(97.72)	-	-	-	-	-	-
Less : Gain on bargain purchase on acquisition	-	-	-	0.18	-	-	-	0.18
Add : Securities premium on shares issued	-	-	-	-	256.08	-	-	256.08
Add: Profit for the year	-	-	-	-	-	68.45	-	68.45
Less : Expense related to issue of shares	-	-	-	-	(0.50)	-	-	(0.50)
Other comprehensive income for the year	-	-	-	-	-	-	(0.46)	(0.46)
Balance as at 31.3.2024	400.00	-	100.00	33.83	616.50	146.15	(0.46)	896.02

Company Information

Nidhi Granites Limited (Company) (L51900MH1981PLC025677) is engaged in the business of manufacturing and trading of granite and marble slabs, tiles, sandstone and limestone products. The company is a public limited company domiciled in India. The registered address of the company is 503, Madhu Industrial Park, Mogra Cross Road, Next to Apollo Chambers, Andheri East, Mumbai City, Mumbai - 400 069.

1. Basis of preparation and significant accounting policies:

1.1 Basis of preparation:

The consolidated financial statements (CFS) are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter. Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in INR and all values are rounded to the nearest INR lakhs, except when otherwise indicated.

1.2 Significant accounting, judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

1.3 Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and ceases to be consolidated when the Group loses control of the subsidiary. Fully consolidated means recognition of like items of assets, liabilities, equity, income and expense. Thereafter the portion of net profit or loss and equity is segregated between the Group's share and share of non-controlling stake holders. Inter-company transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform to the Group's accounting policies. The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary. The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less

liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

Associates and Joint ventures

Associates include all entities where the Group has the power to exercise a significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint ventures. Joint control is the contractually agreed sharing of control of an arrangement, which exist only when decisions about the relevant activities required unanimous consent of parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

Investment in Associates and Joint Ventures has been accounted under the Equity Method as per Ind AS 28 – Investments in Associates and Joint Ventures. Investments in joint operations are accounted using the Proportionate Consolidation Method as per Ind AS 111 – Joint Arrangements. The Group accounts for its share of post-acquisition changes in net assets of associates and joint ventures, after eliminating unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures.

1.4 Summary of Significant accounting policies

a) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified period of twelve months as its operating cycle.

b) Business Combination

Business Combinations are accounted for using the acquisition method of accounting, except for common control transactions which are accounted using the pooling of interest method that is accounted at carrying values. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and

liabilities assumed at their acquisition date i.e. the date on which control is acquired. Contingent consideration to be transferred is recognised at fair value and included as part of cost of acquisition. Transaction related costs are expensed in the period in which the costs are incurred.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

The excess of the fair value of consideration over the identifiable net asset acquired is recorded as goodwill, if the consideration is lower, the gain is recognised directly in equity as capital reserve.

Common control business combination: Business combinations involving entities or businesses that are controlled by the group are accounted using the pooling of interest method.

c) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue from the sale of goods is recognised, when control of goods being sold is transferred to customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales as disclosed, are exclusive of Goods and Services Tax. The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods to a customer, excluding amount collected on behalf of third parties (for example taxes collected on behalf of government). The transaction price is allocated by the company to each performance obligation in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods to the customer.

Income from export incentives and duty drawbacks is recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist. Interest income is recognized on time proportionate basis.

d) Inventory

Inventories such as Raw Materials, Work-in-Progress, Finished Goods, Stock in Trade are valued at the lower of cost or net realisable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The cost is computed on weighted average basis. Finished Goods include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

e) Income taxes

Income tax expense comprises of current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit and loss is recognized outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases, used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

f) Provisions, Contingent liabilities, Contingent assets and Commitments

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimate.

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

g) Property, plant and equipment

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. Cost directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by the management. Advances paid towards the acquisition of PPE outstanding at each balance sheet date is classified as capital advances under other noncurrent assets.

Subsequent expenditures relating to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs to the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and

related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Depreciation has been provided on written down value method in accordance with section 198 of the Companies Act, 2013 at the rates specified in schedule II to the Companies Act, 2013, on pro-rata basis with reference to the period of useful life of such assets and is charged to statement of profit and loss. The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. The estimated useful life of items of property, plant and equipment is mentioned below :

Particulars	Useful life
Office equipments	5 Years
Computers	3 Years
Motor Scooter	10 Years
Plant and Machinery	15 Years
Furniture and fixture	10 Years

The useful lives, residual values of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. . Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

Intangible Assets with finite lives are amortized on Written down value method over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Particulars	Useful life
Computer softwares	5 Years

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

i) Impairment

The carrying amounts of PPEs, Intangible assets are reviewed at each Balance Sheet date to assess impairment if any, based on internal / external factors. An asset is treated as impaired, when the carrying cost of asset exceeds its recoverable value, being higher of value in use and net selling price. 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 prior accounting period is reversed, if there has been an improvement in recoverable amount.

j) Finance cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get

ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred

k) Financial instruments:

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

i. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Financial assets at amortized cost
- Financial assets at fair value through OCI (FVTOCI)
- Financial assets at fair value through profit and loss (FVTPL)

a) Financial Assets measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding

b) Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets measured at fair value through profit and loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

Investment in subsidiaries

The company has accounted for its investment in subsidiaries at cost less impairment loss (if any).

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

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

ii. Financial liabilities

Initial recognition and measurement

All Financial Liabilities are recognized initially at fair value and in case of borrowings, net of directly attributable cost (except when the attributable cost is not material, in such case the same is directly recognized in statement of profit and loss). Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii. Derecognition

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109

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

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

l) Foreign currency translation

Initial Recognition

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

Measurement of foreign currency items at reporting date

Foreign currency monetary items of the Company are translated at the closing exchange rates. Nonmonetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency, are translated using the exchange rates at the date when the fair value is measured. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss

m) Lease

The Company assesses whether a contract is or contains a lease, at inception of a contract. 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 of 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 straightline 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. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company uses an incremental borrowing rate specific to the Company, term and currency of the contract. Generally, the Company uses its incremental borrowing rate as the discount rate.

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

n) Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

Post-Employment benefits

Defined Contribution Schemes

All the employees of the Company are entitled to receive benefits under the provident Fund and employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and

recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized directly in the other comprehensive income in the period in which they occur. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Remeasurements are not reclassified to the statement of profit and loss in the subsequent periods.

o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for bonus elements and share split in equity shares, if any, issued during the year.

1.3 Significant accounting, judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as the Management becomes aware. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Critical Accounting estimates and assumptions

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements which have significant effect on the amounts recognized in the financial statement:

a) Income taxes

Judgment of the Management is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax

assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

b) Property, Plant and Equipment

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/ amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological and future risks. The depreciation/ amortisation for future periods is revised if there are significant changes from previous estimates.

c) 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, which involve various judgements and assumptions

d) Right of use assets and lease liabilities.

The Company has exercised judgement in determining the lease term. Where the rate implicit in the lease is not readily available, an incremental borrowing rate is applied. This incremental borrowing rate reflects the rate of interest that the lessee would have to pay to borrow over a similar term, with a similar security, the funds necessary to obtain an asset of a similar nature and value to the right-of-use asset in a similar economic environment. Determination of the incremental borrowing rate requires estimation.

e) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Nidhi Granites Limited
Notes forming part of the consolidated financial statements

Note - 2A Property, plant and equipment (Rs. In lakhs)

Particulars	Tangibles						Total
	Land	Plant and Machinery	Furniture and Fixtures	Computers	Motor vehicles	Office Equipments	
Balance as on 1st April 2023	-	120.13	0.12	1.07	1.35	16.96	139.63
Additions	84.74	18.33	-	0.76	38.73	2.10	144.65
Disposals	-	(3.32)	(0.12)	(1.07)	-	(2.58)	(7.08)
Balance as on 31st March 2024	84.74	135.14	-	0.76	40.08	16.49	277.20
Accumulated depreciation as on 1st April 2023	-	12.00	0.04	0.84	0.02	6.87	19.78
Depreciation charge for the year	-	20.83	0.00	0.40	10.80	4.57	36.60
Adjustments/reversal on disposal of asset	-	(0.72)	(0.05)	(0.90)	-	(0.94)	(2.60)
Accumulated depreciation as on 31st March 2024	-	32.11	-	0.34	10.82	10.50	53.78
Net Carrying amount as at 31st March 2024	84.74	103.02	-	0.41	29.26	5.99	223.42
Balance as on 1st April 2022	-	74.26	0.12	1.84	-	7.51	83.73
Additions	-	119.83	-	-	1.35	10.81	131.99
Disposals	-	(73.97)	-	(0.77)	-	(1.35)	(76.09)
Balance as on 31st March 2023	-	120.13	0.12	1.07	1.35	16.96	139.63
Accumulated depreciation as on 1st April 2022	-	12.25	0.03	1.23	-	3.77	17.28
Depreciation charge for the year	-	13.62	0.01	0.39	0.02	3.14	17.19
Adjustments/reversal on disposal of asset	-	(13.87)	-	(0.77)	-	(0.05)	(14.69)
Accumulated depreciation as on 31st March 2023	-	12.00	0.04	0.84	0.02	6.87	19.78
Net Carrying amount as at 31st March 2023	-	108.13	0.08	0.23	1.33	10.10	119.85

Note - 2B Right of Use assets (Rs. In lakhs)

Particulars	ROU asset	Total
	Building	
Balance as on 1st April 2023	144.73	144.73
Additions	22.69	22.69
Additions through business combination (Refer note 41)	30.09	30.09
Disposals/retirement/reassessment of ROU asset	(1.37)	(1.37)
Balance as on 31st March 2024	196.15	196.15
Accumulated depreciation as on 1st April 2023	49.54	49.54
Depreciation charge for the year	35.21	35.21
Adjustments/reversal on disposal of asset	-	-
Accumulated depreciation as on 31st March 2024	84.76	84.76
Net Carrying amount as at 31st March 2024	111.39	111.39
Balance as on 1st April 2022	46.44	46.44
Additions	118.18	118.18
Disposals	(19.89)	(19.89)
Balance as on 31st March 2023	144.73	144.73
Accumulated depreciation as on 1st April 2022	21.66	21.66
Depreciation charge for the year	27.88	27.88
Adjustments/reversal on disposal of asset	-	-
Accumulated depreciation as on 31st March 2023	49.54	49.54
Net Carrying amount as at 31st March 2023	95.19	95.19

Nidhi Granites Limited
Notes forming part of the consolidated financial statements

Note - 2C Intangible assets

(Rs. In 'lakhs)

Particulars	Computer software	Total
Balance as on 1st April 2023	0.32	0.32
Additions	-	-
Disposals/retirement	-	-
Balance as on 31st March 2024	0.32	0.32
Accumulated depreciation as on 1st April 2023	0.05	0.05
Depreciation charge for the year	0.13	0.13
Adjustments/reversal on disposal/retirement of asset	-	-
Accumulated depreciation as on 31st March 2024	0.17	0.17
Net Carrying amount as at 31st March 2024	0.15	0.15
Balance as on 1st April 2022	-	-
Additions	0.32	0.32
Disposals/retirement	-	-
Balance as on 31st March 2023	0.32	0.32
Accumulated depreciation as on 1st April 2022	-	-
Depreciation charge for the year	0.05	0.05
Adjustments/reversal on disposal/retirement of asset	-	-
Accumulated depreciation as on 31st March 2023	0.05	0.05
Net Carrying amount as at 31st March 2023	0.28	0.28

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the consolidated financial statements		31st March	31st March
Particulars	2024	2023	
	(₹)	(₹)	
Note - 3 Investments			
-In equity shares of other companies (measured at fair value through profit and loss)			
Quoted, fully paid up			
Phoenix Township Ltd			
85,000 (P.Y. 85,000) equity shares of face value Rs. 10 each	76.41	51.00	
	76.41	51.00	
Note - 4 Other financial assets			
<u>Non current</u>			
Security deposits - unsecured, considered good	8.04	6.12	
	8.04	6.12	
<u>Current</u>			
Accrued interest	0.00	0.01	
	0.00	0.01	
Note - 5 Deferred tax asset			
At the beginning of the year	0.66	-	
Additions through business combination (Refer note 41)	0.30	-	
(Charge)/credit to statement of profit and loss	7.05	0.66	
(Charge)/credit to OCI	0.15	-	
At the end of the year	8.17	0.66	
Note - 6 Inventories			
Raw materials	46.06	16.84	
Stock in Trade	214.81	189.00	
	260.88	205.84	
Note - 7 Current investment			
Investments measured at fair value through profit and loss			
Investment in securities	0.02	0.01	
	0.02	0.01	
Note - 8 Trade receivables			
Sundry Debtors (Refer note 33.2 for ageing schedule)			
- Unsecured, considered good	715.25	510.17	
	715.25	510.17	
Note - 9 Cash and cash equivalents			
Cash on hand	1.44	1.80	
Balance with schedule banks			
- In current accounts	93.38	212.64	
Other bank balances			
Deposits with original maturity of more than 3 months and remaining maturity of less than 12 months			
	186.05	185.61	
	280.87	400.05	
Note - 10 Loans			
Other loans (unsecured, considered good)	330.46	111.17	
	330.46	111.17	
Note - 11 Other current assets			
Income taxes paid	0.03	0.88	
Capital advances	144.74	157.65	
Advance other than capital advance	5.93	0.52	
Balance with statutory authorities	15.09	2.10	
Others	1.13	1.03	
	166.92	162.19	

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the consolidated financial statements			
Particulars		31st March	31st March
		2024	2023
		(₹)	(₹)
Note - 13 Share warrants			
Nil (P.Y. 13,47,805) Share warrants of Rs 29/- each , Rs. 7.25/- paid up		-	97.72
		-	97.72
Note - 14 Other equity			
General Reserve			
Balance as per last financial statement		100.00	100.00
Less: Utilised during the year		-	-
Balance as per current financial statement	(i)	100.00	100.00
Securities Premium			
Balance as per last financial statement		360.92	-
Add : Premium on shares issued during the year		256.08	361.42
Less : Share issue related expenses		(0.50)	(0.50)
	(ii)	616.50	360.92
Gain on bargain purchase			
Balance as per last financial statement		33.65	33.65
Add : On account of business combination (Refer note 41)		0.18	-
	(iii)	33.83	33.65
Surplus/(Deficit) in statement of profit and loss			
Balance as per last financial statement		77.70	34.01
Add: Profit/(loss) for the year		68.45	43.69
Net surplus/(Deficit) in statement of profit and loss	(iv)	146.15	77.70
Other comprehensive income - Remeasurement of employee benefit			
Balance as per last financial statement		-	-
Add : Movement in OCI (net of taxes) during the year		(0.46)	-
	(v)	(0.46)	-
	(i+ii+iii+iv+v)	896.02	572.27
Note - 15 Borrowings			
Non current			
Secured			
- From Banks			
Vehicle loan (#)		11.10	-
		11.10	-

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the consolidated financial statements			
Particulars	31st March	31st March	
	2024	2023	
	(₹)	(₹)	
<u>Current</u>			
Secured			
- From Banks			
Overdrafts from Bank (*)	297.16	205.04	
Current Maturities of Long term Borrowings	2.84	-	
Unsecured			
- From Banks			
Unsecured loans	11.36	22.63	
	311.36	227.66	
(*) Overdraft of the subsidiary company (SPNP Paper & Pack Private Limited), secured against its current assets (inventory and book debts) and against property held by its directors and fixed deposits held by its subsidiary company (Fine Papyrus Private Limited)			
The company is not required to submit quarterly statements with bank for the above facility.			
(#) Secured against vehicle. Repayable in 51 pending equal monthly instalments			
Note - 16 Lease liabilities			
<u>Non current</u>			
Lease Liabilities	107.71	83.03	
	107.71	83.03	
<u>Current</u>			
Lease Liabilities	17.08	18.01	
	17.08	18.01	
Note - 17 Deferred tax liabilities			
At the beginning of the year	4.23	3.03	
Charge/(credit) to statement of profit and loss	2.80	1.20	
Charge/(credit) to OCI	-	-	
At the end of the year	7.03	4.23	
Note - 18 Provisions			
<u>Non current</u>			
Provision for gratuity (refer note 35)	2.90	-	
	2.90	-	
<u>Current</u>			
Provision for gratuity (refer note 35)	0.01	-	
Provision for others	9.47	3.01	
	9.48	3.01	
Note - 19 Trade payables			
Sundry creditors (Refer note 33.1 for ageing schedule)			
- Micro enterprises and small enterprises	163.99	247.78	
- Other than micro enterprises and small enterprises	214.93	103.71	
	378.93	351.48	
Note - 20 Other financial liabilities			
Payable to employees	14.16	14.61	
	14.16	14.61	
Note - 21 Other current liabilities			
Advance from customer	0.96	0.70	
Statutory Dues	18.27	14.71	
	19.23	15.41	
Note - 22 Current tax liabilities (net)			
Provision for income tax (net)	7.00	9.87	
(Net of taxes paid ₹ 23.10 lakhs, Previous year ₹ 19.55 lakhs)			
	7.00	9.87	
Note - 23 Revenue from Operations			
Sale of goods	3,792.84	2,529.22	
Sale of services	58.29	-	
	3,851.13	2,529.22	

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the consolidated financial statements			
Particulars	31st March	31st March	
	2024	2023	
	(₹)	(₹)	
Note - 24 Other income			
Duty drawback	-	0.49	
Interest income from fixed deposits	10.03	6.11	
Interest on security deposits	0.45	0.28	
Interest on income tax refund	0.03	-	
Interest on loans	21.09	3.55	
Fair value gain on financial instruments at fair value through profit or loss	25.42	25.20	
Gain on remeasurement of lease	0.71	-	
Gain on exchange fluctuation	-	0.77	
Subsidy received	-	1.30	
Sundry balance written back	-	0.63	
Discount	0.01	0.03	
	57.73	38.37	
Note - 25 Cost of materials consumed			
Raw materials consumed			
Opening stock	16.84	-	
Add : Purchases	729.88	691.41	
	746.72	691.41	
Less : Closing stock	(46.06)	(16.84)	
Cost of material consumed	700.66	674.57	
Note - 26 Purchases and direct expenses			
Purchase of products	2,503.51	1,305.86	
Direct expenses	149.90	156.99	
	2,653.41	1,462.84	
Note - 27 Changes in Inventory			
Opening Stock	189.00	93.49	
Additions through business combination (Refer note 41)	4.06	-	
Less: Closing Stock	(214.81)	(189.00)	
	(21.75)	(95.51)	

Nidhi Granites Limited		(Rs. In lakhs)	
Notes forming part of the consolidated financial statements			
Particulars	31st March	31st March	
	2024	2023	
	(₹)	(₹)	
Note - 28 Employee benefit expenses			
Salaries and bonus			
- Key Management Personnel	45.00	45.00	
- Employees	150.60	214.22	
Contribution to provident fund and others	14.19	18.39	
Gratuity expenses	2.30	-	
Bonus paid	4.50	0.77	
Staff welfare expenses	3.18	2.87	
	219.76	281.26	
Note - 29 Finance cost			
Interest expenses	28.65	10.45	
Interest on lease liabilities	11.61	9.48	
Other finance costs	5.23	0.98	
	45.49	20.91	
Note - 30 Other expenses			
Payment to auditor	4.95	3.30	
Accounting charges	0.48	0.48	
Advertisement Expenses	1.42	0.61	
Business promotion expenses	0.93	0.72	
Bad debts	-	3.38	
Bank charges	0.00	0.00	
Commission	27.19	24.61	
Discount given	-	0.41	
Donation	2.03	-	
Goods lost	-	0.86	
Insurance expenses	1.29	0.60	
Power and fuel expenses	1.69	0.89	
Profit and loss on derecognition of financial liability	-	0.18	
Mobile expense	0.17	0.76	
Rent charges	-	1.05	
Repairs and maintenance	11.28	9.43	
Interest For late payment of TDS	0.00	0.00	
Factory expenses	10.07	7.43	
Labour charges	22.05	6.05	
Legal And professional fees	16.49	16.82	
Office expenses	0.72	2.31	
Postage and courier expenses	0.03	0.91	
Loss on sale of machinery	1.21	-	
Rates and taxes	1.26	6.27	
ROC charges	9.96	0.11	
Printing and stationary expenses	1.71	1.85	
Website development	0.09	-	
Travelling and conveyance	2.50	5.58	
Transport and other charges	4.74	8.88	
Stock exchange and registrar charges	7.09	4.87	
Security expenses	0.96	-	
Fixed assets written off	2.07	-	
Miscellaneous expenses	11.38	6.75	
	143.78	115.10	
Payment to auditor			
As auditor - for statutory audit (including limited review)	1.15	1.15	
Audit fees	2.70	1.55	
Others	1.10	0.60	
	4.95	3.30	

NIDHI GRANITES LIMITED

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Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note - 12 Equity share capital

(Rs. In lakhs)

Particulars	31st March 2024 (₹)	31st March 2023 (₹)
(a) Authorised		
1,00,00,000 (PY 50,00,000) equity shares of ₹ 10/- each with voting rights	1,000.00	500.00
(Pursuant to approval of Shareholders accorded through Annual General Meeting held on 22nd July, 2023, Authorised Share Capital of the Company has been increased from Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Face Value of Rs. 10/- each to Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares of Face Value of Rs. 10/- each)	<u>1,000.00</u>	<u>500.00</u>
(b) Issued , subscribed and paid up		
40,00,000 (PY 26,52,195) equity shares of ₹ 10/- each with voting rights	400.00	265.22
(Out of the above, 13,47,805 shares of Face value Rs. 10/share have been issued at a premium of Rs. 19/share during the year on conversion of warrants.	<u>400.00</u>	<u>265.22</u>

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

Issued, subscribed and paid up

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Reduction	Forfeiture	Closing balance
Equity shares with voting rights								
Year ended 31 March, 2024								
- Number of shares	26,52,195	13,47,805	-	-	-	-	-	40,00,000
- Amount (₹)(in'lakhs)	265.22	134.78	-	-	-	-	-	400.00
Year ended 31 March, 2023								
- Number of shares	7,50,000	19,02,195	-	-	-	-	-	26,52,195
- Amount (₹)(in'lakhs)	75.00	190.22	-	-	-	-	-	265.22

(ii) Details of allotment made during the year

(₹ in lakhs)

Date of allotment	Number of shares allotted	Face value per share	Amount in ₹ (face value)	Issue price per share	Amount in ₹
14-08-2023	13,47,805	10	134.78	29	390.86

(iii) The company has only one class of shares having par value of Rs. 10/- per share. Each holder of share is entitled to one vote per share.

Nidhi Granites Limited					
Notes forming part of the consolidated financial statements					
Note - 12 Equity share capital				(Rs. In lakhs)	
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares/Name of shareholder	31st March 2024		31st March 2023		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Devan Narendra Pandya	13,29,842	33.25%	9,66,842	36.45%	
Darpan Shah	13,40,348	33.51%	8,96,210	33.79%	
Kala Diwanji	5,40,000	13.50%	3,60,000	13.57%	
Nayana Bhatt	5,41,000	13.53%	1,80,333	6.80%	
(v) Details of shares held by promoters					
Class of shares/Name of shareholder	31 March,2024		31 March,2023		% change during the year
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
Devan Narendra Pandya	13,29,842	33.25%	9,66,842	36.45%	-3.21%
Darapan Shah	13,40,348	33.51%	8,96,210	33.79%	-0.28%

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 31 Disclosures under Accounting Standards

Related party transactions

<u>Description of</u>	<u>Names of related parties</u>
Key Management Personnel (KMP)	Mr. Devan Pandya Mr. Darpan Shah Mrs. Shreya Pandya Mr. Amit Sinkar (Appointed w.e.f 15th June, 2021) Mr. Amit Patankar (Appointed w.e.f 15th June, 2021) Mrs. Kavita Shah (CFO) Mrs. Swapna Shivashankaran (Secretary) (Appointed w.e.f 1st October, 2023)
Entities where control exists	M/s JNV Infra Pvt Ltd (Company In which direct Mr. Devan Pandya has significant influence by virtue of holding more than 20% shareholding)

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31 March, 2024 and balances outstanding as at 31 March, 2024
(Rs. In lakhs)

Particulars	KMP		Relatives of KMP		Entities where control exists		Total	
	Mar-2024	Mar-2023	Mar-2024	Mar-2023	Mar-2024	Mar-2023	Mar-2024	Mar-2023
Transactions during the year								
Sale of goods								
M/s JNV Infra Pvt Ltd	-	-	-	-	28.47	28.50	28.47	28.50
Issue of shares								
Mr Devan Pandya	36.30	72.60	-	-	-	-	36.30	72.60
Mr Darpan Shah	44.41	63.59	-	-	-	-	44.41	63.59
Balances outstanding at the end of the year								
Receivables								
M/s JNV Infra Pvt Ltd	-	-	-	-	-	27.19	-	27.19

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note - 32 Additional information to the financial statements

<u>Note</u>	<u>Particulars</u>	31 March, 2024 (Rs. In lakhs)	31 March, 2023 (Rs. In lakhs)
32.1	Contingent liabilities and commitments (to the extent not provided for)		
(i)	Contingent liabilities		
	(a) Claims against the Company not acknowledged as debt	Nil	Nil
	(b) Guarantees		
	(i) Guarantees to Banks and Financial Institutions against credit facilities extended to Subsidiaries	400.00	Nil
32.2	Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006		
	According to the information available with the management on the basis of intimation received from the suppliers regarding their status under the micro, small and medium Enterprises Development Act,2006 (MSMED ACT), the company has amounts due to Micro and small Enterprises under the said act as follows:		
		31 March, 2024 (Rs. In lakhs)	31 March, 2023 (Rs. In lakhs)
	a) Principal amount payable	163.99	247.78
	b) Interest amount due and remaining unpaid	-	-
	c) Interest paid	-	-
	d) Payment beyond the appointed day during the year	-	-
	e) Interest due and payable for the period for the delay	-	-
	f) Interest accrued and remaining unpaid	-	-
	g) Amount of further interest remaining due and payable succeeding years	-	-
32.3	Earnings per share (EPS)		
	The following reflects the profit and share data used in the basic and diluted EPS computations:		
		31 March, 2024 (Rs. In lakhs)	31 March, 2023 (Rs. In lakhs)
	Total (continuing) operations for the year		
	Profit/(loss) after tax	68.45	43.69
	Net profit/(loss) for calculation of basic/diluted EPS	(A) 68.45	43.69
	Weighted average number of equity shares in calculating basic EPS	(B) 35,02,859	10,54,015
	Earnings per share (EPS) (basic/diluted)	(A/B) 1.95	4.15
		31 March, 2024 (Rs. In lakhs)	31 March, 2023 (Rs. In lakhs)
32.4	Value of imports calculated on CIF basis	Nil	Nil
32.5	Expenditure in foreign currency	Nil	Nil
32.6	Earnings in foreign exchange	Nil	39.80

- 32.7** The balances appearing under borrowings, trade payables, trade receivables, short term loans and advances, other financial assets and liabilities and banks are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation.
- 32.8** In the opinion of the Board, assets other than fixed assets do have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.
- 32.9** During the year, on 10th May, 2023 the company acquired 100% of the equity share capital (10,000 equity shares of Rs. 10 each) of Yug Fashion Garment Pvt Ltd from existing shareholders for a consideration of Rs. 1.2 lakhs. Consequently, Yug Fashion Garment Pvt Ltd has become a wholly owned subsidiary (100%) of the company during the year. Hence, the financial amounts and information for the year ended 31st March, 2024 are not comparable with the financial amounts and information for the year ended 31st March, 2023 to the extent of this acquisition. Further, during the year the company has acquired 42,30,000 additional shares of Rs. 10 each at face value under right issue by Yug Fashion Garment Pvt Ltd.
- 32.10** The board at its meeting held on 15th March 2024, subject to the approval of the members, has proposed to issue bonus equity shares in the proportion of 1 (One) new fully paid-up equity share of Rs. 10/- (Rupees Ten) each for every 1 (One) existing fully paid-up equity share of Rs. 10/- (Rupees Ten) each to the shareholders of the Company whose name appears in the register as on the record date, that is 2nd May, 2024.
- 32.11** During the year, the company has allotted 13,47,805 shares of face value Rs. 10/share at Rs. 29/share (including premium of Rs. 19/share) on preferential basis against conversion of share warrants.
- 32.12** During the year, the shareholders of the company at its Annual General Meeting held on 21st July, 2023, ratified and approved the variation in utilisation of proceeds of the preferential issue made by the company and further approved the future utilisation of the said proceeds for general corporate purpose or for investments or providing loans or creating capital assets in compliance with various laws.
- 32.13** One of the subsidiary company (SPNP Paper and Pack Pvt Ltd) has entered into a memorandum of Understanding (MOU) with Shah Pack and Print (a partnership firm where directors of that subsidiary company are partners) for purchase of property. The subsidiary company has given advance to the firm in various instalments against the said purchase pending execution of agreement for purchase. The agreement for the same will be executed and registered in the coming year.
- 32.14** Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

Nidhi Granites Limited
Notes forming part of the consolidated financial statements

33.1 Trade Payables ageing schedule

(Rs. In lakhs)

Particulars	as at 31st March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	163.99	-	-	-	163.99
(ii) Others	210.10	4.84	-	-	214.93
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	374.09	4.84	-	-	378.93

(Rs. In lakhs)

Particulars	as at 31st March 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	247.78	-	-	-	247.78
(ii) Others	103.71	-	-	-	103.71
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	351.48	-	-	-	351.48

33.2 Trade Receivables ageing schedule

(Rs. In lakhs)

Particulars	as at 31st March 2024					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	705.35	6.94	2.96	-	-	715.25
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-
Total	705.35	6.94	2.96	-	-	715.25

(Rs. In lakhs)

Particulars	as at 31st March 2023					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	508.15	2.02	-	-	-	510.17
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-	-	-
Total	508.15	2.02	-	-	-	510.17

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 34 Disclosures under Accounting Standards

Segment reporting

Particulars	(Rs. In lakhs)		
	31st March, 2024 (*)		
	External	Inter segment	Total
Segment revenue			
Paper and Paperboard	2,633.78	-	2,633.78
Garments	1,188.88	-	1,188.88
Construction material	28.47	-	28.47
Unallocated	-	-	-
Revenue from sale of products and services	3,851.14	-	3,851.14
Segment results			
Paper and Paperboard	50.85	-	50.85
Garments	6.10	-	6.10
Construction material	0.66	-	0.66
Unallocated	-	-	-
Segment total	57.61	-	57.61
Unallocated corporate expenses net of unallocated income	(37.96)	-	(37.96)
Profit before taxation	95.57	-	95.57
Tax expense	27.12	-	27.12
Profit for the year	68.45	-	68.45
Other information			
		Segment assets	Segment liabilities
Paper and Paperboard		1,165.30	766.66
Garments		544.84	109.63
Construction material		-	-
Segment total		1,710.13	876.29
Unallocated Corporate Assets/ Liabilities		471.85	9.68
Total		2,181.98	885.97

Notes:

The Company's operations are principally based in India only. Hence secondary segment reporting for geographic segment is not applicable

(*) The Parent Company has identified three reportable business segments at the group level. Accordingly, segment disclosure under Ind AS -108 "Operating Segment" have been given for the three segments. Further, since the three segments have become reportable only from current financial year (2023-24) due to acquisition of Yug Fashion Garment Pvt Ltd ("Subsidiary") in the current financial year on 10th May, 2023, segment reporting is given only for the current year and not for the corresponding preceding financial year ended 31st March, 2023.

The Company's organisational structure and governance processes are designed to support effective management of multiple businesses while retaining focus on each one of them.

Nidhi Granites Limited	
Notes forming part of the consolidated financial statements	
Note - 35 Employee benefit	
(A) Defined contribution plan	
A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions and where there is no legal or constructive obligation to pay further contributions. During the year, the Company recognised contribution to Provident Fund and Employee State Insurance Scheme in the Statement of Profit and Loss.	
Particulars	31st March, 2024
Employer's Contribution to Provident Fund.	13.15
Employer's Contribution to Employee State Insurance Corp.	1.04
Total employer contributions	14.19
(B) Defined benefit plan	
a) Gratuity	
The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This benefit is unfunded. The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans :	
(i) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:	
Particulars	31st March, 2024
Defined Benefit Obligation at the beginning of the year	-
Current service cost (*)	2.22
Past service cost	-
Interest cost	0.08
Benefits paid	-
Remeasurement Losses/(Gains)	-
a. Effect of changes in financial assumptions	0.03
b. Effect of experience adjustments/demographic adjustments	0.59
Defined Benefit Obligation at the end of the year	2.91
(ii) Current and non current classification	
Particulars	31st March, 2024
Current	0.01
Non - current	2.90
Liability at the end of the current/previous year	2.91

Nidhi Granites Limited		
Notes forming part of the consolidated financial statements		
(iii) Statement of Profit and Loss		
Expenses recognised in statement of profit and loss	31st March, 2024	
Current service cost (*)	2.22	
Past service cost	-	
Net interest expenses	0.08	
Net cost recognized in the statement of Profit and Loss	2.30	
<p>(*) The company has provided for gratuity for the first time in the current financial year. The company had not provided for gratuity till last year as the company was in the process of finalising the policy for the same till the time of finalisation of the financial statements for the last year. As a result, the current service cost also includes the amount of gratuity provision for last financial year.</p>		
(iv) Remeasurement of the net defined benefit Liability (OCI)		
Expenses recognised in other comprehensive income	31st March, 2024	
(a) Effect of changes in financial assumptions	0.03	
(b) Effect of experience adjustments/demographic adjustments	0.59	
Net cost recognized in Other Comprehensive Income	0.62	
(v) Assumptions		
Particulars	31st March, 2024	
Discount Rate	7.17%	
Future salary increase	8.00%	
Attrition Rate	15.00%	
Retirement Age	60 & 64 years Indian Assured Lives Mortality	
Mortality	2012-14 (Urban)	
Weighted average duration of defined benefit obligation	9	
(vi) Maturity analysis of projected benefit obligation		
Particulars	31st March, 2024	
Within the next 12 months (next annual reporting period)	0.01	
Between 2 and 5 years	1.10	
Between 5 and 10 years	1.92	
Above 10 years	2.51	
Total Expected Cash flows	5.54	
(vii) Sensitivity Analysis:		
Particulars	31st March, 2024	
	Increase	Decrease
Discount Rate (+/- 1%)	(0.21)	0.23
Salary Growth Rate (+/- 1%)	0.23	(0.21)
Attrition Rate (+/- 1% of attrition rates)	(0.11)	0.11
<p>The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.</p> <p>The company does not have any leave encashment policy. All unutilised leaves lapsed at the year end.</p>		

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 36 A - Financial assets and financial liabilities

Financial assets/ Financial liabilities	(Rs. In lakhs)	
	Carrying value	
	31st March 2024	31st March 2023
<u>Financial assets measured at fair value through profit and loss (FVTPL)</u>		
Financial assets - Non current		
Investment in quoted equity instruments	76.41	51.00
Financial assets - current		
Investment in equity instruments	0.02	0.01
Total	76.42	51.01
<u>Financial assets measured at amortised cost</u>		
Financial assets - Non current		
Other financial assets	8.04	6.12
Financial assets - current		
Trade receivables	715.25	510.17
Cash and cash equivalents	280.87	400.05
Loans	330.46	111.17
Other financial assets	0.00	0.01
Total	1,334.63	1,027.52
<u>Financial liabilities measure at amortised cost</u>		
Financial liabilities - non current		
Lease liability	107.71	83.03
Borrowings	11.10	-
Financial liabilities - current		
Borrowings	311.36	227.66
Lease liabilities	17.08	18.01
Trade payables	378.93	351.48
Other financial liabilities	14.16	14.61
Total	840.33	694.80

Note: Financial assets and liabilities include cash and cash equivalents, trade receivables, eligible current and non-current assets, borrowings, trade payables, and eligible current liabilities and non-current liabilities. The fair value of cash and cash equivalents, trade receivables, borrowings, trade payables, other current financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 36 B - Fair value hierarchy for assets and liabilities

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) Level 1

Quoted (unadjusted) prices in active markets for identical assets or liabilities.

ii) Level 2

Other techniques for which all inputs which have a significant effect on the recorded fair values are observable, either directly or indirectly.

iii) Level 3

Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(I) The carrying amount and fair value measurement hierarchy for financial assets as at March 31, 2024 is as follow

(Rs. In lakhs)

Particulars	Carrying value	Fair Value	Fair value hierarchy			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit and loss (FVTPL)						
Investment in quoted equity instruments	76.41	76.41	76.41	-	-	76.41
Investment in equity instruments	0.02	0.02	0.02	-	-	0.02
Total			76.42	-	-	76.42

(I) The carrying amount and fair value measurement hierarchy for financial assets as at March 31, 2023 is as follow

(Rs. In lakhs)

Particulars	Carrying value	Fair Value	Fair value hierarchy			Total
			Quoted prices	Significant observable inputs	Significant unobservable inputs	
			Level 1	Level 2	Level 3	
Financial assets measured at fair value through profit and loss (FVTPL)						
Investment in quoted equity instruments	51.00	51.00	51.00	-	-	51.00
Investment in equity instruments	0.01	0.01	0.01	-	-	0.01
Total			51.01	-	-	51.01

(II) Financial instruments measure at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Note 37 - Capital Management

For the purpose of the Company’s capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders. The primary purpose is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The capital structure is governed by policies reviewed and approved by Board of Directors and is periodically monitored by various matrices, including funding requirements.

Nidhi Granites Limited
Notes forming part of the consolidated financial statements

Note 38 - Income taxes

		(Rs in Lakhs)		
A	Major Components of Income Tax Expense for the year are as under	31st March 2024	31st March 2023	
(i) Items recognised in statement of profit and loss				
Current tax :				
	In respect of current year	31.25	19.27	
	In respect of short/excess provisions for earlier years	0.12	(0.21)	
Deferred tax				
	In respect of current year	(4.26)	0.54	
	Income tax expense recognised in statement of profit and loss	27.12	19.60	
(ii) Items recognised in OCI				
Deferred tax				
	In respect of current year	(0.15)	-	
		(0.15)	-	
B	The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:			
	As at 31st March 2024	(Rs in Lakhs)		
Particulars	1st April 2023	Addition on account of business combination	Amount charged statement of profit and loss / other comprehensive income	31st March 2024
Deferred tax assets				
	Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961			
	(1.05)	-	3.28	2.22
	Difference in ROU asset and lease liabilities			
	1.72	0.30	1.65	3.68
	Unamortised processing fees			
	-	-	(0.02)	(0.02)
	Provision for gratuity			
	-	-	0.73	0.73
	Provision for expenses			
	-	-	1.56	1.56
	0.66	0.30	7.21	8.17
Deferred tax liabilities				
	Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961			
	(0.49)	-	0.49	-
	Difference in carrying value and tax base of investments measured at FVTPL			
	(3.75)	-	(3.28)	(7.03)
	(4.23)	-	(2.80)	(7.03)

Note 38 - Income taxes

		(Rs in Lakhs)		
As at 31st March 2023		(Rs in Lakhs)		
Particulars	1st April 2022	Addition on account of business combination	Amount charged to profit and loss / other comprehensive income	31st March 2023
Deferred tax asset				
Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961	-	(1.05)	-	(1.05)
Difference in ROU asset and lease liabilities	-	1.71	-	1.71
Financial assets and others	-	0.01	-	0.01
	-	0.66	-	0.66
Deferred tax liability				
Difference between WDV of fixed assets as per books of accounts and Income Tax Act, 1961	(3.27)	2.79	-	(0.49)
Difference in ROU asset and lease liabilities	0.24	(0.24)	-	-
Difference in carrying value and tax base of investments measured at FVTPL	-	(3.75)	-	(3.75)
Net deferred tax (liability)/asset	(3.03)	(1.20)	-	(4.23)
		(Rs in Lakhs)		
C	Reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows	31st March 2024	31st March 2023	
	Profit/ (Loss)before tax	95.57	63.29	
	Enacted income tax rate in India	25.17%	25.17%	
	Computed expected tax expense	24.05	15.93	
	Effect of:			
	Taxes for earlier years	0.12	(0.21)	
	Income not considered for tax (net)	(0.52)	(0.01)	
	Expense not considered for tax	2.26	2.01	
	Deferred tax not created for unabsorbed loss	4.38	3.47	
	Items taxed at special rate	(3.49)	(3.72)	
	Others	0.31	2.13	
	Tax expense as per statement of profit and loss	27.12	19.60	

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 39 Leases

(i) The company's lease assets primarily consist of leases for office and warehouses. Leases generally have a lease term of 2 to 10 Years. The effective interest rate for lease liabilities is 9%

(ii) Refer note 2B for movement of Right of use assets.

(iii) Below are the carrying amounts of lease liabilities (included under financial liabilities) and the movements during the year:

	(Rs in Lakhs)	
Particulars	31st March, 2024	31st March, 2023
Balance as at opening	101.04	24.82
Additions during the year	22.35	116.93
Additions through business combination	30.81	-
Finance expense	11.61	9.48
Payments	(38.96)	(30.47)
Adjustment on remeasurement of lease	(2.07)	-
Derecognised during the year	-	(19.72)
Balance as at closing	124.78	101.04
Current	17.08	18.01
Non current	107.71	83.03

The contractual maturity analysis of lease liabilities:

(Rs in Lakhs)

	(Rs in Lakhs)	
Particulars	31st March, 2024	31st March, 2023
Less than one year		
Gross value	27.01	25.86
Less - Unamortised interest	(9.93)	(7.85)
More than one year but less than 5 years		
Gross value	114.05	73.26
Less - Unamortised interest	(26.79)	(27.57)
More than 5 years		
Gross value	21.26	40.58
Less - Unamortised interest	(0.82)	(3.25)
	124.78	101.04

(iv) The following are the amounts recognised in profit or loss:

(Rs in Lakhs)

	(Rs in Lakhs)	
Particulars	31st March, 2024	31st March, 2023
Amortisation expenses on right of use assets	35.21	27.88
Finance expense on lease liabilities	11.61	9.48
Expense relating to short term lease	-	1.05
Total amount recognised in profit or loss	46.83	38.41

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 40 Financial risk management objectives and policies

The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans and advances, trade receivables and other financial assets and financial liabilities comprise mainly of lease liabilities, borrowings, trade payables and other payable.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

1) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include equity investments, borrowings, trade receivables and trade payables.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company is exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial liabilities, principally short and long term borrowings in the form of Bank overdrafts and other loans. The company has not hedged its interest rate exposures.

The exposure of the company's borrowings at the end of the reporting period are as follows : (Rs. In lakhs)

Particulars	31st March	31st March
	2024	2023
<u>Fixed rate borrowings</u>		
Non current	11.10	-
Current	11.36	22.63
<u>Variable rate borrowings</u>		
Non current	-	-
Current	299.99	205.04
Total	322.46	227.66

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company's functional currency is Indian Rupees (INR). Exposures can arise on account of various assets and liabilities which are denominated in currencies other than INR. The Company does not hedge its position in respect of receivables and payables denominated in currencies other than INR. However, the Management of the Company believes that there is no significant currency risk on the Company basis existing level of exposure.

The carrying amounts of the Company's foreign currency denominated monetary items are as follows (Rs. In lakhs)

Particulars	31st March	31st March
	2024	2023
Trade receivables (In INR)	-	40.56
Trade receivables (In USD)	-	0.49

Note 40 Financial risk management objectives and policies

Sensitivity analysis of 1% change in exchange rate at the end of reporting period

1% increase or decrease in foreign exchange rates will have the following impact on comprehensive income and equity

Particulars	31st March	31st March
	2024	2023
<u>1% depreciation in INR</u>		
Trade receivables	-	0.41
<u>1% appreciation in INR</u>		
Trade receivables	-	0.41

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, cash & cash equivalents and other financial assets.

3) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Nidhi Granites Limited

Notes forming part of the consolidated financial statements

Note 41 - Business Combination

The Parent Company on 10th May, 2024 acquired, in an all cash deal, 100% equity shares of Yug Fashion Garments Private Limited, an Indian Company engaged in trading of garments.

(a) The fair value of the assets and liabilities acquired is shown below :

(Rs in Lakhs)

Particulars	Amounts
Assets	
Right of use asset	30.09
Other financial assets	0.78
Inventory	4.06
Trade receivables	149.29
Cash and cash equivalent	3.09
Other assets	1.83
Deferred tax	0.30
Total assets (A)	189.45
Liabilities	
Lease liabilities	30.81
Trade payables	156.99
Other liabilities	0.27
Total liabilities (B)	188.07
Net identifiable assets acquired (A - B)	1.38

b) Amount recognised directly in other equity

Particulars	Amounts
Purchase consideration (Cash)	1.20
Net identifiable assets acquired	1.38
Gain on bargain purchase (Capital reserve)	0.18

c) The revenues and profits contributed by the acquired company to the Group for the financial year ended 31st March 2024 are as follows:

Particulars	Amounts
Revenue	1,188.88
Profit after tax	10.83

d) Purchase consideration - cash outflow

Particulars	Amounts
Cash consideration	1.20

e) Net Cashflow on acquisition

Particulars	Amounts
Purchase consideration transferred	(1.20)
Net cash acquired with the subsidiary, net of borrowing	3.09
Net cash inflow on acquisition	1.89

Nidhi Granites Limited
Notes forming part of the consolidated financial statements

42 Enterprises consolidated as subsidiary in accordance with Indian Accounting Standard 110 - Consolidated Financial Statement

Name of enterprise	Country of incorporation	% of ownership interest
1. SPNP Paper and Pack Private Limited	India	100%
2. Yug Fashion Garments Private Limited	India	100%
3. Fine Papyrus Private Limited (a 100% subsidiary of SPNP Paper and Pack Pvt Ltd)	India	100%

43 Additional Information, as required under Schedule III to the Companies Act, 2013, of Enterprises Consolidated as Subsidiaries / Associates / Joint Ventures

As at 31st March, 2024

Name of enterprise	Net assets (Total assets minus total liabilities)		Share in profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)
Parent								
1. Nidhi Granites Ltd	11.92%	154.53	4.44%	3.04	0%	-	4.47%	3.04
Subsidiaries								
1. SPNP Paper and Pack Pvt Ltd	31.87%	413.09	64.26%	43.98	100%	(0.46)	64.02%	43.52
2. Yug Fashion Garments Pvt Ltd	33.58%	435.20	15.82%	10.83	0%	-	15.92%	10.83
3. Fine Papyrus Pvt Ltd	22.62%	293.19	15.48%	10.60	0%	-	15.59%	10.60
Total	100%	1,296.02	100%	68.45	100%	(0.46)	100%	67.99

As at 31st March, 2023

Name of enterprise	Net assets (Total assets minus total liabilities)		Share in profit and loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)	As a % of consolidated net assets	Amount (Rs. In lakhs)
Parent								
1. Nidhi Granites Ltd	30.27%	283.04	25.14%	10.98	-	-	25.14%	10.98
Subsidiaries								
1. SPNP Paper and Pack Pvt Ltd	39.52%	369.57	104.89%	45.82	-	-	104.89%	45.82
2. Fine Papyrus Pvt Ltd	30.22%	282.59	-30.03%	(13.12)	-	-	-30.03%	(13.12)
Total	100%	935.20	100.00%	43.69	-	-	100.00%	43.69